



2019 Budget
City of Gig Harbor

COVER ART

Since 1984, the Peninsula Art League, a non-profit artist's organization, has sponsored the **Gig Harbor Arts Festival**. A competition for their annual event poster features the work of a local student. Proceeds from the festival fund scholarships for local artists.

In honor of the League's work and the work of the winning student, this artwork is featured on the cover of the City's annual budget summary this year. The tradition began with the first poster in 2001 and continues each year.

This year's cover artwork was created by **Shelby Workman** who is a 2018 graduate of Gig Harbor High School. The theme represents the active sea life in Puget Sound.

CITY OFFICIALS

ELECTED

MAYOR

Kit Kuhn

COUNCILMEMBERS

Jeni Woock
Bob Himes
Jim Franich
Spencer Hutchins
Ken Malich
Michael Perrow
Spencer Abersold

APPOINTED

MUNICIPAL COURT JUDGE
CITY ATTORNEY

Zenon Olbertz
Angela Summerfield

MANAGEMENT STAFF

CITY ADMINISTRATOR

Wade Farris

POLICE CHIEF

Kelly Busey

PUBLIC WORKS DIRECTOR

Jeff Langhelm

COMMUNITY DEVELOPMENT DIRECTOR

Katrina Knutson

FINANCE DIRECTOR

David Rodenbach

INFORMATION SYSTEMS MANAGER

Kay Johnson

BUILDING & FIRE SAFETY DIRECTOR

Paul Rice

CITY CLERK

Molly Towslee

COURT ADMINISTRATOR

Stacy Colberg

TOURISM & COMMUNICATIONS DIRECTOR

Mimi Jansen (Interim)

HUMAN RESOURCES MANAGER

Kameil Borders

TABLE OF CONTENTS

BUDGET IN BRIEF	12
1. BUDGET SUMMARY	18
Budget Ordinance.....	19
Property Tax Distribution and Population History	23
Organizational Chart	24
Budget Process	25
Budget Calendar	32
Budget Document Organization	33
Revenue Highlights	34
Budgeted Staffing Levels	36
Estimate of Ending Fund Balances.....	37
Municipal Debt	38
Resource and Expenditure Summaries - All Funds	41
2. GENERAL FUND - Fund 001	44
General Fund Revenue Resource Summary.....	46
Expenditures:	
Non-Departmental - Dept. 01	50
Legislative - City Council - Dept. 02.....	52
Judicial - Municipal Court - Dept. 03	54
Administration / Finance / Legal / IT- Dept. 04	61
Police - Dept. 06.....	80
Planning - Dept. 14	89
Building & Fire Safety - Dept. 14.....	98
Public Works - Dept. 14	103
Parks - Dept. 15	108
City Buildings - Dept. 16.....	118
3. SPECIAL REVENUE FUND TYPE.....	122
Street Operating - Fund 101	125
Street Capital - Fund 102.....	136

State Drug Investigation - Fund 105	143
Federal Drug Investigation - Fund 106.....	145
Hotel-Motel Tax - Fund 107	147
Public Art Capital Projects - Fund 108	155
Park Development - Fund 109	160
Civic Center Debt Reserve - Fund 110	166
Strategic Reserve - Fund 111.....	168
Equipment Reserve - Fund 112.....	170
Capital Development - Fund 301	172
Capital Improvement - Fund 305	175
Impact Fee Trust - Fund 309	178
Hospital Benefit Zone Revenue - Fund 310.....	180
 4. DEBT SERVICE FUND TYPE	 184
Limited Tax General Obligation Bond Redemption - Fund 208.....	187
2005 Bond Redemption - Fund 211	191
 5. ENTERPRISE FUND TYPE	 193
Water Operating - Fund 401	196
Wastewater Operating - Fund 402.....	204
Shorecrest Sewer Operating Fund - Fund 403.....	211
Utility Reserve - Fund 407.....	214
Utility Bond Redemption - Fund 408	216
Wastewater Capital - Fund 410	222
Storm Water Operating - Fund 411.....	226
Storm Water Capital - Fund 412	232
Water Capital - Fund 420.....	236

Mayor's Message

On behalf of the hardworking staff and council of the city of Gig Harbor, I am honored to present the 2019 Budget. We are very proud to showcase how we have served our citizens over the past year. When I officially became your mayor in January 2018, I knew we were facing many challenges. I feel honored that the community entrusted me and the other newly elected Council members, as well as the incumbents, to facilitate change. Gig Harbor had been the fastest growing city in our county for several years and we needed to put some structure in place for responsible and sustainable growth. With collaboration from councilmembers, staff and input from our community, we can guide our city to new heights without losing our charm, character, and rich history that make this beautiful place our home. Not only do we need to consider our 10,000 plus residents that make up the City of Gig Harbor, but also our surrounding 55,000 neighbors that feel Gig Harbor is their home too. We are all dependent on one another in making our city the best place to live, work, play and explore. My goal was and is for Gig Harbor to be a model city, not only in Washington, but nationwide.

Highlights of the past year, 2018

The City was going through many changes when I started my term. Several past council members had served for many years and had been devoted to helping the city achieve success. They had worked hard, but as the tide changed, four chose to not run again and let others step forward to lead the City in a new direction. We started 2018 with five new councilmembers and a new mayor. I've had a steep learning curve and would like to thank the dedicated city professionals, community leaders and concerned citizens who have graciously allowed me to learn along the way.

As a private citizen I spent many hours with the finance director and went over the upcoming year's (2018) budget. I found a lot of expenses that I felt were unnecessary and not a good use of taxpayer's money. So, when I became mayor I worked diligently with each department director to cut expenses from the existing 2017-2018 biennial budget. This effort lead to some cost savings in 2018 and I hope to make more in 2019.

The following is my mission and vision statement that I presented to staff upon taking office on January 2, 2018 which I feel still applies for 2019. I look forward to having each department make their own mission statement in 2019 to guide their department in the years to come.

VISION STATEMENT

The City of Gig Harbor seeks sustainable growth that protects our natural and historic resources, while preserving our values, quality of life, and culture.

MISSION STATEMENT

- We are a community committed to managing a balance between the collective vision of our residents and commercial needs.
- We will foster diversity and active participation from each neighborhood in preserving our community's natural assets, quality of life, and cultural heritage.
- We will manage the city's resources with fiscal responsibility.
- We will facilitate improvements developed in harmony with our unique maritime character and environment that offer residents, businesses, and visitors quality services that promote healthy

lifestyles, high community standards, a safe environment, business success, and a welcoming community.

The following are some successes the City has experienced in 2018.

City Administrator. As I promised in my campaign, I wanted to find a qualified city administrator who had relevant proven experience to help guide the city. Finance Director, Dave Rodenbach, was appointed Interim City Administrator while filling dual roles. The recruitment process to find the right person was going to take 6 months as we were both very busy managing 110 staff members, 7 departments, and capital and private projects. It was apparent to both Dave Rodenbach and myself that we needed someone totally dedicated as an Interim City Administrator because we were both being over tasked. On April 16, Tony Piasecki, who has over 20+ years of experience in the public sector, started as our Interim City Administrator. Tony Piasecki brought to us great knowledge and experience and stayed on to help with our budget and many other critical tasks until August 9. We completed a nationwide search and found, Wade Farris, who was City Administrator in Othello, Washington, and a retired two-star general with the knowledge and professionalism to bring our city to new heights. Wade stepped right in and has proven to be a great asset to our city whether he is working with employees, council or the vision I have for our community.

New Positions. I immediately froze four positions, approved from the prior year, that had not gone through the recruitment process. It was important for us to first gain an understanding of how the departments worked, learn about their needs and the reasoning behind the new positions. As a result, the positions were delayed for approximately three months. However, it was apparent our Court needed an additional part-time employee and Human Resources an additional full-time employee, so we filled these positions with temporary hires until Council approves them in the 2019 budget.

Attorney. Another big change we will be working towards is a legal department and begin the process of finding an in-house Attorney. The staff and I are working with the council to explore the benefits of an in-house attorney to get their support for this initiative. We are a busy city with an almost daily requirement to review contracts, resolve land use issues as well as a myriad of other legal matters. We have spent a lot of time studying this option and talking with other cities that have in-house attorneys. We believe having an attorney readily available to department directors, council and myself will allow us to get immediate answers and will save time, money and efficiency and provide us another layer of protection against liability. It will also create more efficiency in our court system with our prosecuting attorney. Our current legal firm understands and is happy to stay on until this transition is complete.

Community Development Director. We have merged the Planning and Building Departments into one department and added a Community Development Director to oversee this new structure. We will bring a few of the Public Works Department's staff into this new department. This means the Planning Director position was eliminated and the Building Director position has become a mid-manager position and a new department director position was created. Our desire is to maintain our talented and valued employees, with no one being laid off due to this re-organization.

Although our city was previously structured this way before the departments split, this change in our organization did not happen overnight, and the transition period took over three months. We conducted an open competitive recruitment process to fill the director position, which meant both employees and members of the public who are qualified were considered. After a thorough search and extensive review of the candidates, the clear choice was Katrina Knutson. Katrina had been our city parks manager for over three years. Prior to this she had over 10 years of experience as an associate and senior planner for Kitsap County. She supports the vision I have for the city.

Court. Our court needed immediate attention. A new judge was appointed in December 2017 and rumors of getting rid of the court were causing dedicated employees to leave for more stable employment. While interviewing employees, I discovered the court needed additional resources to provide stability or we were going to lose this valuable asset. The Council acted quickly and publicly announced there were no plans to dissolve our court. We hired a temporary part-time employee which has allowed Court operations to run more effectively and give the employees the stability they needed. Today, I am proud of our court and the employees that run it. In 2019 we are budgeting to make this position permanent.

Residential Moratorium. By January 31 after many city council work sessions, it was apparent to council and me that we needed to listen to our citizens to slow down on our rapid growth and take action. A six-month moratorium on certain residential developments was enacted that lasted until August 12, 2018. With council, staff, and an outside firm, we adopted ordinances and regulations to try to responsibly slow the growth. Some would say we accomplished a feat that should have taken longer than a year to achieve. I am very appreciative of our Planning Department and Council who worked very hard to achieve this. However, there is more work to do, and it will probably take another year to fully reach our goals.

Property Acquisition. In January, I reached out to the Haub family who owned two and a half acres of 100-year-old forest near the mouth of our harbor. This piece of property is a signature landmark in our town. Developers planned to clear cut the property within four months to build ten homes. With the support of Council, the Haub family sold us the land and the view home next to it for \$2.5 million, and within two months we closed on the property with a 2.18% interest rate. The forest will forever stay part of our heritage and is listed in the deed to remain a forest. Rental income from the house on the property will help offset the cost but will someday be an additional public benefit for our citizens.

FISH New Home. The City secured property from Pierce Transit that came from the Federal Transportation Administration. The past council started the work toward giving this valuable property to our 46-year-old food bank, FISH, for their new home. This was a long process, but it was finally completed after several months of talks on how best to make it happen. Now that FISH has the property, they plan to build a large food bank for those in need in our community.

Sports Complex. In 2017, the past council purchased 11.48 acres near the YMCA for \$3.5 million to be paid for over three years. The present council is working toward developing a sports complex for our community which will include Astroturf and full-size fields with lights. We have now finalized a conceptual design with eight months of input from the public. By partnering with the YMCA and other local groups to secure donations and grant funding, our goal is to complete the project in three phases as financing becomes available. The first phase will be built next to the YMCA and have two fields, trails, playgrounds, pickle ball, bocce ball, pavilion, picnic shelters, restrooms/concession building and more. Phase two and three will surround the YMCA and have other amenities for outdoor activities.

Public Works Projects. We completed the construction of Harbor Hill Road connecting Gig Harbor North. This was our most expensive road to date. The City received \$8 million in grant funding, cost a total of \$12.8 million, and was completed ahead of schedule.

We brought Well #11 online and in an event of an emergency, this well has a back-up generator and can provide water to the entire city's water service area.

We will complete three utility comprehensive plans by the end of 2018 as well as the transportation element update.

Ancich Waterfront Park. Late December 2017 Ancich Waterfront Park broke ground and is planned to be done by early 2019. It will have a storage area for human powered watercraft, a large 2,200 square foot public viewing platform, restrooms and other park amenities. A historical net shed has been rehabilitated next to it that will be used by our local fisherman. Our national award-winning Gig Harbor Canoe and Kayak Race Team and the community will be able to use the new facility. Public sign up information for storage use will be forth coming.

Transportation Benefit District. Last summer, the City Council formed a Transportation Benefit District (TBD). Per State law, the TBD has authority to either levy a fee on auto licenses or propose a .02 sales tax to be voted on by the citizens. The City can only use the money collected by the levy or the tax for transportation improvements. We wanted the citizens to be part of the decision, so, for the 2018 November ballot we proposed raising our sales tax from 8.5% to 8.7%. This would have resulted in an extra 20 cents per \$100 and would have raised roughly \$16 million over the 10 years of the proposition, then it would expire. The money would only be used toward our \$96 million Transportation Improvement Plan (TIP) and Connect the Gig. This would not be for maintenance, sidewalks, bike lanes and curbs. Those needs would be paid for by other funds. Anyone who enters the City of Gig Harbor and makes a retail purchase would pay the increased sales tax, residents and visitors alike, and everyone who lives in and visits our city would benefit from the results. Since this failed to pass by only 45 votes, we may consider putting in front of the voters again in 2019.

Transportation Impact Fee, TIF

Our city impact fees had been at \$2,100 for over 11 years. The council, city and consultants identified over \$93 million worth of transportation/road projects that could support raising the fee upwards of \$10,500 per dwelling unit. Yet we chose to only support the most immediate projects first, worth slightly above 52 million, which resulted in \$5,271. - per dwelling unit. This passed by ordinance.

While council, staff and I have made great strides in doing what is best for the city we look forward to even greater success in 2019.

2019 Budget

In order to continue being good stewards of our funds and to quickly respond to financial changes each year, we will be adopting an annual budget in 2019. This is a change from the city's previous practice of a biennial budget. You will also see our outline to position our city financially and organizationally for 2019 and beyond. I have been working closely with each department director and going through the upcoming budget, item by item. We have not had the oversight in recent years that the mayor feels is needed to retain our savings for emergencies or future needs. I ran my election on being good stewards of the taxpayer's funds. I believe we can do this by controlling our costs and spending so there will be less dramatic swings in the budget. We have spent two months doing our due diligence by carefully examining all of our proposed expenditures and cutting items from the budget where warranted, before providing it to council and the citizens. We have shown in the budget where our cuts have been made. Staff and I have worked together to cut over \$3.4 million, which you will see throughout the 2019 budget document. Many of those cuts are seen in the budget document as either "Removed Objectives" or strikethrough amounts. Many times, budgeted items not spent move over to the next year's budget.

In fact, many of our 2018 cuts can be found here and to me are not worth spending and moving on to the 2019 budget.

You will also see that we did not bond this year in February as was planned. This bonding was planned for over \$3 million was to pay for the future Public Works Shop. We have studied this and found that we can borrow in 2019 from our Utility Division at a lower interest rate. This will keep that interest income in our own city for the Utility Division and will save over a million dollars. The rest of the money we will need in 2020 for the shop will be funded from within. We also did not bond for other reasons mainly because even though we would have more money we would also have significantly more debt in the future.

The following is a list of the unbudgeted expenses inherited from the past administration in 2017:

2017 September	Masonic Lodge Property	\$ 695,000
2017 December	OPG Sports Complex Property	\$ 876,463
2017	Ancich cost overruns	\$2,300,000
Estimated additional unbudgeted expenditures		<u>\$ 500,000</u>
		\$4,502,535

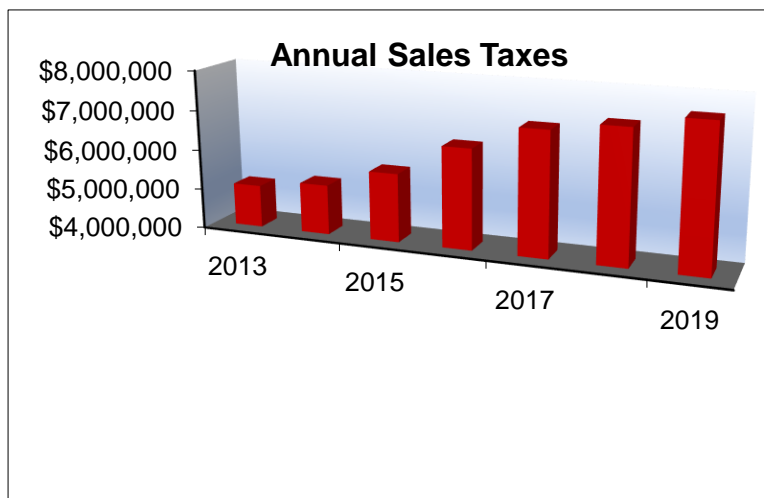
The current administration purchased the following unbudgeted properties in 2018:

2018 May	Haub Triangle property	\$ 631,072
----------	------------------------	------------

The current administration was able to absorb the above expenses without borrowing additional funds. Most of this was achieved through REET funds (Real Estate Excise Tax) that are generated through taxes levied on the purchase and sale of homes. We did decide to borrow \$2,756,800 from our sewer/utility department to pay off the debt that we owed to OPG for the Sports Complex Property. The payoff time is the same but resulted in a savings of \$202,000 in interest. Another advantage is that the interest that we do pay goes to this department.

I have discussed how we are spending your taxpayers' dollars. Below is one example of how we get the money to fund these expenditures.

Since our annual sales tax makes up roughly 60% of our revenue I wanted to show the following chart and provide an explanation of how much the city actually retains.



Even though the sales tax is 8.5% our city only gets 85% of 1%. The county gets the other 15% of the 1%. The rest goes to state.

As for property taxes, our city only gets \$1.14 dollars of the \$10.29 dollars the state and county charge per \$1,000 assessed.

We hope to grow our sales tax base to be able to offset our expenses.

Some other items we are presently working toward completion are as follows:

- Finalizing our Comprehensive Plan with council.
- Creating new employee policies.
- Cleaning up outstanding bills, and situations in town that needed dealing with.
- Updating our traffic impact fees.
- Updating our park impact fees.
- Restoring Eddon Brick House for a recreational hall.
- Removing the East Bay out of our urban growth area.
- Reviewing the city code

In 2019, we hope to start our Sports Complex, complete the first phase of the Public Works Shop, complete the work on several of our parks, tighten our ordinances and regulations with in regard to development, work with our state and federal lobbyists to achieve economic development and plan for affordable housing and RCO funding for Gig Harbor Sports complex and transportation improvement along the entrance ways along State Route 16. Partner with the Peninsula School District to help them understand how new development impacts their school system. The mayor puts out a blog and a letter to staff roughly every three weeks to inform them of current events. We are listening to our citizens and community to be transparent and you can have coffee with Kit the first Tuesday every month.

The mayor is running a tight ship and being very watchful of the citizens dollars. This will keep us in as good financial shape as possible. Lastly, I am very proud of all of our employees. I truly feel all our departments are working very hard and we have some of the most dedicated employees who diligently serve this community each day.

I am honored to present the 2019 budget to the residents and City Council.

Kit Kuhn
Mayor

PERSONNEL CHANGES

These proposed changes in personnel are described in greater detail in the departmental and fund narratives.

Reclassifications

One Patrol Officer to Sergeant (page 87). Reclassify one patrol officer position to sergeant with a mid-year promotion. This would fill a gap in supervisory coverage.

***Tourism & Communications Administrative Assistant to full time status (0.4 FTE) (page 152).** Due to increased workload that will fall upon the office in 2019 the addition availability of time would allow a continued level of service.

*This position is suspended pending a study of the City's lodging tax programs.

Additional Positions (total annual increase of 6.6 FTEs)

Court Clerk permanent part time (.6 FTE) (page 59). Due to the increased caseload over the last five years. The addition would allow the court to meet reporting deadlines and mandates and realign duties to allow better service.

Human Resources Assistant (1 FTE) (page 70). Add a Human Resources Assistant to support the HR Manager to allow the Human Resource Department to continue to be proactive in the multiple services of human resources.

****City Attorney (1FTE) (page 72).** The Mayor proposes creating a City of Gig Harbor legal department. This position will replace and perform the duties of the current City Attorney who is contracted for through an outside law firm.

****Assistant City Attorney (1 FTE) (page 73).** This position will perform the duties of the current City Prosecutor (outside contract). In addition, this position will assist the City Attorney with other city legal work as necessary.

****The City will remain with the current firm, Ogden, Murphy Wallace and will study whether to remain with the current model during the first quarter of 2019. Once a decision is made, the City will either update outside legal services contracts or move forward with hiring an in-house City Attorney and Assistant City Attorney.**

Community Development Director (1FTE) (page 96). This position was created through a budget amendment in October 2018 as a result of not filling the Planning Director position and creating a new Community Development Department. This department will be the result of merging the Planning, Building and Fire Safety and a portion of the Public Works Engineering Department.

Laborer (1FTE) (pages 114). In an effort to minimize costs to the City, Public Works proposes to hire one laborer that will be performing grounds maintenance and provide Parks Operations with maintenance.

Utility Billing Clerk (1.0 FTE) (pages 74, 202, 210, and 231). A utility billing clerk is requested due to the increase in customers and accounts. This position will also be located in the Civic Center lobby in order to assist citizens who arrive at the Civic Center to conduct business.

Salary Range Adjustments

In accordance with the Collective Bargaining Agreement (CBA) with the Gig Harbor Employees' Guild, and the Gig Harbor Supervisory Employees' Guild, a **3.6% COLA** will take effect January 1, 2019. Salaries for non-represented staff are presented in the salary schedule with a 3.6% COLA.

Salary and Benefit Allocations

The city allocates salaries and benefits for certain positions to several different funds and departments depending on the job duties of that position. For example, a position may be allocated to the funds as follows: General – 50%, Street Operating – 10%, Water Operating – 15%, Sewer Operating – 15% and Storm Operating – 10%.

2019 Budget Staffing Changes

Fund	Dept / Section	Position	Description	Start Date	Additional Costs			Total	Comments
					Salary - Annualized	Benefits - Annualized			
General	Court	Court Clerk	New Position - 0.6 FTE	1/1/2019	\$ 29,984	\$ 23,199		\$ 53,183	
General	Admin - HR	HR Assistant	New position - 1.0 FTE	1/1/2019	54,507	32,832		87,339	
General - 50% Lodging - 50%	Admin / Hotel-Mo	Administrative Assista	FTE lincrease 0.6 - 1.0	1/1/2019	25,228	19,063		44,291	Pending Study
General	Admin	UB Clerk - Reception	New Position - 0.4 FTE	4/1/2019	14,513	13,281		27,794	
General	Admin - Legal	City Attorney	New position - 1.0 FTE	1/1/2019	123,539	56,252		179,791	Pending Study
General	Admin - Legal	Assistant City Attorney	New position - 1.0 FTE	1/1/2019	87,197	48,335		135,532	Pending Study
General	Police - Patrol	Sergeant	Replace 1 Patrol Officer with Sergeant	7/1/2019	4,260	426		4,686	1/2 year
General	Planning	Community Development Director	Replaces Planning Director - 1.0 FTE	1/1/2019	18,492	3,851		22,343	
General	Parks	Laborer	New position - 1.0 FTE	1/1/2019	49,259	40,557		89,816	
Water - 33% WWTP - 34% Storm - 33%	Water/Sewer/Storm	Utility Billing Clerk (PW Clerk)	New Position - 0.6 FTE	4/1/2019	21,769	19,921		41,690	
Total					\$ 428,748	\$ 257,717	\$ 686,465		

2019 CAPITAL PROJECT HIGHLIGHTS

1. **Public Works Operations Center – Site Development.** Review and finalize the site design then construct the frontage improvements new Public Works Operations Center. **\$1,980,000; Pages 141 #1, 166 #2, 238 #1, 242 #1.**
2. **Public Works Operations Center – Building Design and Permitting.** Complete the building design and building permitting of the new Public Works Operations Center. **\$220,000; Pages 141 #2, 166 #3, 238 #2, 242 #2.**
3. **Stinson Avenue Pavement Overlay and Pedestrian Improvements (Grandview to Rosedale).** Complete the design, permitting, and construction along Stinson Avenue between Rosedale Street and Pioneer Way. **\$750,000; Page 141 #3.**
4. **Stinson / Rosedale Intersection Improvements.** Complete the design, permitting, right-of-way acquisition, and construction of a roundabout. **\$500,000; Page 141 #4.**
5. **Stinson / Harborview Intersection Improvements.** Request funding for design only and pursue State grants to assist with funding construction. **\$150,000; Page 141 #5.**
6. **Street Lights on Borgen Boulevard.** Install street lights along Borgen Boulevard. This area has already been developed without street lights. **\$115,500; Page 141 #6, 7 & 8.**
7. **38th Avenue Improvement Project – Phase 1A.** Update the existing survey information and complete a conceptual design associated with the street corridor improvements along 38th Avenue. **\$750,000; Page 141 #9.**
8. **Gig Harbor Sports Complex Phase 1: Design, Permitting, Phase 1A Construction.** This is a multi-year, multi-phased project. Visioning was conducted in 2015 and a Master Plan was approved in 2018. **\$2,200,000; Page 166 #1.**
9. **Crescent Creek Park – Visioning, Master Plan, Conceptual Design.** Conduct visioning and develop a master plan for Crescent Creek Park. **\$75,000; Page 166 #5.**
10. **Cushman Trail Phase 5.** Complete the planning study started in 2018. Complete 30% design and NEPA for at least 1 mile of the preferred alignment, beginning at the termination of the existing Cushman Trail at Borgen Boulevard.. **\$270,000; Page 166 #6.**
11. **Eddon Boat Park – Brick House Rehabilitation.** Rehabilitate the historic Eddon Residence. Costs are for permitting and construction. **\$250,000; Page 166 #7.**
12. **Pump Track Design and Permitting, Civic Center.** Design and permit a pump track near the existing skate park at the Civic Center. **\$55,000; Page 167 #9.**

13. **Skansie Netshed Repairs.** For the base bid complete siding and minor structural repairs then, re-paint the building. As an additive bid consider re-roofing the entire building. **\$90,000; Page 167 #11.**
14. **Ancich Homeport Commercial Fisherman's Dock – Conceptual Design and Feasibility.** This next phase of the Ancich Waterfront Park consists of a floating dock system to provide moorage for commercial fishermen. Public outreach and conceptual design will be conducted. **\$35,000; Page 167 #12.**
15. **Floating Fuel Dock Conceptual Design and Feasibility.** Public and State agency outreach, and conceptual design and feasibility for a floating fuel dock in Gig Harbor Bay. **\$35,000; Page 153 #12.**
16. **Pump Station 3A Motor Control Center (MCC).** With design completed, the physical construction, installation and loading of the program can be done. **\$96,000 Page 212 #1.**
17. **Airgap System for Centrifuge.** To be compliant with the Department of Health and City of Gig Harbor Water Department. The existing makeshift system does not meet the demand of the current centrifuge operation. **\$41,000; Page 212 #3.**
18. **Replacement of Lift Station #6 (Ryan Street).** Verify right-of-way and complete final design and permitting for the replacement pump station at the existing site. **\$140,000; Page 228 #2.**
19. **Rehabilitation of Lift Station #1 (Crescent Creek Park).** Replace existing pumps, electrical and mechanical equipment and coat wet well. **\$105,000; Page 228 #3.**
20. **Lift Station 2A and Lift Station 11 Pump Repair and Generator Replacement.** **\$61,000; Page 228 #5.**
21. **Harborview Drive Stormwater Conveyance Improvements.** Design, permit, and construct a sediment catching vault Harborview Drive and inside the combined City-Harbor History Museum stormwater system. **\$750,000; Page 238 #3.**
22. **Public Works Shop – Decant Facility.** Design and permitting of a new decant facility. **\$115,000; Page 238 #4.**
23. **Storm Pipe Slip Lining.** Perform the slip lining of two storm pipes in the City right of way due to failed pipe connections. **\$80,000; Page 238 #6.**
24. **Stinson Avenue Water Main Replacement.** Construct a new ductile iron water main in Stinson Avenue between SR-16 and Rosedale Street. **\$1,300,000; Page 242 #3.**
25. **Grandview Street Asbestos Cement Water Main Replacement.** Construct the replacement of approximately 400 LF of asbestos cement (AC) water main with ductile iron water main. **\$200,000; Page 242 #4.**
26. **Emergency Water Intertie – Canterwood Blvd.** Coordinate and install an intertie along Canterwood Blvd just north of St. Anthony's hospital. **\$400,000; Page 242 #5.**

Project Funding Source Matrix									
Project description	Totals	Local City Funds	REET	HBZ Fund	Impact Fees	Developer - Donations	Grant	User Fees - Water/Sewer/Storm	
Park Operating Projects									
Donkey Creek Park - renovations & repairs	50,000	50,000							
Skansie House Sidewalk Improvements	25,000	25,000							
	\$ 75,000	\$ 75,000	\$ -	\$ -	\$ -	\$ -		\$ -	
Park Capital Projects									
Gig Harbor Sports Complex Phase 1	2,200,000	500,000				1,000,000	700,000		
Public Works Operations Center - Site Development	396,000	396,000							
Public Works Operations Center - Bldg Design & Perm	62,333	62,333							
Crescent Creek Park - Visioning & Master Plan	75,000	75,000							
Cushman Trail Phase 5	270,000	70,000					200,000		
Eddon Boat Brick House Rehab.	250,000	180,000					70,000		
Pump Track Design and Permitting, Civic Center	55,000	55,000							
Anchorage Homeport Comm. Fisherman's Dock Conceptual Design	35,000	35,000							
Sand Volleyball Court Expansion - Crescent Creek	12,000	12,000							
Skansie Netshed Repairs	90,000	90,000							
	\$ 3,445,333	\$ 1,475,333	\$ -	\$ -	\$ -	\$ 1,000,000	\$ 970,000	\$ -	
Street Operating Projects									
ADA Self Evaluation & Transition Planning Program	150,000	150,000							
Annual Pavement Maintenance and Repair Program	500,000	500,000							
Public Works Standards Update	30,000	30,000							
	\$ 680,000	\$ 680,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Street Capital Projects									
Stinson Ave Pavement Overlay & Ped Improvements	750,000		235,000				515,000		
Stinson/Rosedale Intersection Improvements	500,000				500,000				
Stinson/Harborview Intersection Improvements - design	150,000	150,000							
Streetsights on Borgen Blvd.	115,500			115,500					
38th Avenue Improvement - Phase 1	750,000	750,000							
Burnham/Borgen Interchange Wetland Mitigation Final	25,000	25,000							
PW Operations Center site development	396,000	396,000							
PW Operations Center Building - Design & Permitting	62,333	62,333							
	\$ 2,748,833	\$ 1,383,333	\$ 235,000	\$ 115,500	\$ 500,000	\$ -	\$ 515,000	\$ -	
Water Operating & Capital Projects									
Annual Water Meter Replacement	100,000							100,000	
Water Main Replacement	65,000							65,000	
Chlorine Monitors	25,000							25,000	
Water Service Line Survey	75,000							75,000	
Well No. 3 Maintenance	250,000							250,000	
PW Operations Center site development	990,000							990,000	
PW Operations Center Building - Design & Permitting	33,000							33,000	
Stinson Avenue Water Main Replacement	1,300,000							1,300,000	
Grandview Water Main Replacement	200,000							200,000	
Emergency Water Intertie – Canterwood Blvd	400,000							400,000	
	\$ 3,438,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,438,000	
Wastewater Operating & Capital Projects									
Wet Well Recoating	67,000							67,000	
Annual Water Meter Replacement	100,000							100,000	
Lift Station 8 Water Hammer Arrester	30,000							30,000	
Inflow & Infiltration Repairs – Manhole/Pipelines	225,000							225,000	
Pump Station 3A Channel Grinder	68,335							68,335	
Replacement of Lift Station #6 (Ryan Street)	140,000							140,000	
Rehabilitation of Lift Station #1 (Crescent Creek Park)	105,000							105,000	
Rehabilitation of Lift Station #9 (Longacres Subdivision)	79,573							79,573	
Lift Station 2A and Lift Station 11 Repairs	61,000							61,000	
	\$ 875,908	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 875,908	
Stormwater Operating & Capital Projects									
Storm Utility Revenue Study	32,000				-			32,000	
Storm/Catch Basin Cleaning Disposal	34,612							34,612	
PW Operations Center site development	198,000							198,000	
PW Operations Center Building - Design & Permitting	62,333							62,333	
Harborview Drive Stormwater Conveyance Improvement	750,000						121,000	629,000	
Public Works Shop – Decant Facility	115,000							115,000	
Assessment and Maintenance Plan for Outfalls to Marine	150,000							150,000	
Storm Pipe Slip Lining	80,000							80,000	
	\$ 1,421,945	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 121,000	\$ 1,300,945	

1. BUDGET SUMMARY

Budget Ordinance.....	19
Property Tax Distribution and Population History.....	23
Organizational Chart.....	24
Budget Process.....	25
Budget Calendar.....	32
Budget Document Organization.....	33
Revenue Highlights.....	34
Budgeted Staffing Levels.....	36
Estimate of Ending Fund Balances.....	37
Municipal Debt.....	38
Resource and Expenditure Summaries - All Funds.....	41

ORDINANCE NO. 1402

AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, ADOPTING THE 2019 ANNUAL BUDGET; ESTABLISHING APPROPRIATIONS OF FUNDS FOR THE 2019 FISCAL YEAR; TRANSMITTING BUDGET COPIES TO THE STATE; PROVIDING FOR SEVERABILITY AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the Mayor of the City of Gig Harbor, Washington completed and placed on file with the City Clerk a proposed budget and estimate of the amount of the monies required to meet the public expenses, bond retirement and interest, reserve funds and expenses of government of the City for the 2019 fiscal year; and

WHEREAS, the City of Gig Harbor published notice that the Gig Harbor City Council would meet on November 13, 2018 and November 26, 2018 at 5:30 p.m., in the Gig Harbor Council Chambers for the purpose of providing the public an opportunity to be heard on the proposed budget for the 2019 fiscal year and to adopt the budget; and

WHEREAS, the City Council did meet at the dates and times so specified, and heard testimony of interested citizens and taxpayers; and

WHEREAS, the 2019 proposed budget does not exceed the lawful limit of taxation allowed by law to be levied on the property within the City of Gig Harbor for the purposes set forth in the budget, and the estimated expenditures set forth in the budget being all necessary to carry on the government of Gig Harbor for the 2019 fiscal year; Now, therefore,

THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Budget Adopted. The budget for the City of Gig Harbor, Washington, for the 2019 fiscal year, on file with the City Clerk, is hereby adopted in its final form and content.

Section 2. Funds Appropriated. Estimated resources, including beginning fund balances, for each separate fund of the City of Gig Harbor, and aggregate total for all funds combined, for the 2019 fiscal year are set forth in summary form below, and are hereby appropriated for expenditure during the 2019 fiscal year as set follows:

2019 BUDGET APPROPRIATIONS

FUND / DEPARTMENT

AMOUNT

001 GENERAL GOVERNMENT

01	Non-Departmental	\$4,074,598
02	Legislative	78,344
03	Municipal Court	534,400
04	Administrative / Financial / Legal	1,778,727
06	Police	4,372,839
14	Building & Fire Safety	971,400
14	Planning	1,353,260
15	Park Operating	1,439,162
16	Buildings	362,975
19	Ending Fund Balance	3,034,927

TOTAL GENERAL FUND - 001

\$18,000,632

101	STREET OPERATING	3,351,347
102	STREET CAPITAL	3,501,827
105	DRUG INVESTIGATION STATE	6,849
106	DRUG INVESTIGATION FEDERAL	16,446
107	HOTEL / MOTEL FUND	939,595
108	PUBLIC ART CAPITAL PROJECTS	131,610
109	PARK DEVELOPMENT FUND	4,011,045
110	CIVIC CENTER DEBT RESERVE	1,859,260
111	STRATEGIC RESERVE	513,579
112	EQUIPMENT REPLACEMENT RESERVE	321,788
208	LTGO BOND REDEMPTION	2,557,747
211	UTGO BOND REDEMPTION	518,890
301	CAPITAL DEVELOPMENT FUND	896,991
305	GENERAL GOVT. CAPITAL IMPROVEMENT	1,827,106
309	IMPACT TRUST FEE	1,805,652
310	HOSPITAL BENEFIT ZONE REVENUE	3,493,030
401	WATER OPERATING	3,682,274
402	SEWER OPERATING	7,170,599
403	SHORECREST RESERVE	167,790
407	UTILITY RESERVE	1,548,721
408	UTILITY BOND REDEMPTION FUND	3,588,971
410	SEWER CAPITAL CONSTRUCTION	10,844,866
411	STORM SEWER OPERATING	2,502,773
412	STORM SEWER CAPITAL	2,471,662
420	WATER CAPITAL ASSETS	5,672,921

TOTAL ALL FUNDS

\$81,403,971

Section 3. Salary Schedule. Attachment "A" is adopted as the 2019 personnel salary schedule for all employees.

Section 4. Transmittal. The City Clerk is directed to transmit a certified copy of the 2019 budget hereby adopted to the Division of Municipal Corporations in the Office of the State Auditor and to the Association of Washington Cities.

Section 5. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance

Section 6. Effective Date. This ordinance shall be in force and take effect five (5) days after its publication according to law.

PASSED by the City Council of the City of Gig Harbor, Washington, and approved by its Mayor at a regular meeting of the council held on this 26th day of November, 2018.

CITY OF GIG HARBOR



Mayor Kit Kuhn

ATTEST/AUTHENTICATED:



Molly M. Towslee, City Clerk

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY



Angela G. Summerfield

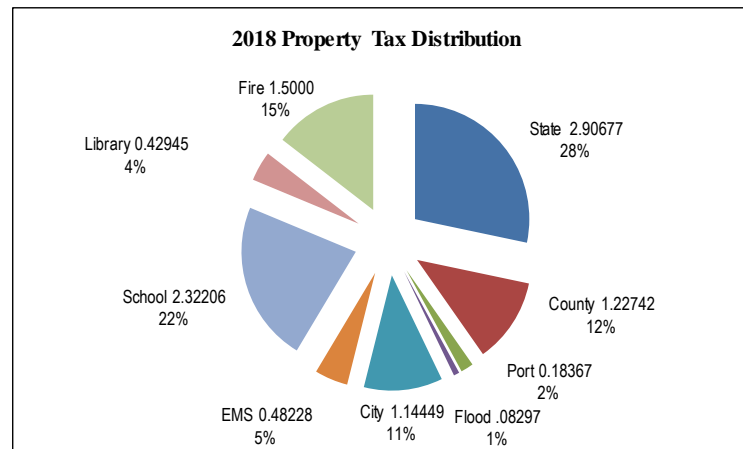
FILED WITH THE CITY CLERK: 10/05/18
PASSED BY THE CITY COUNCIL: 11/26/18
PUBLISHED: 12/06/18
EFFECTIVE DATE: 12/11/18
ORDINANCE NO. 1402

Attachment A

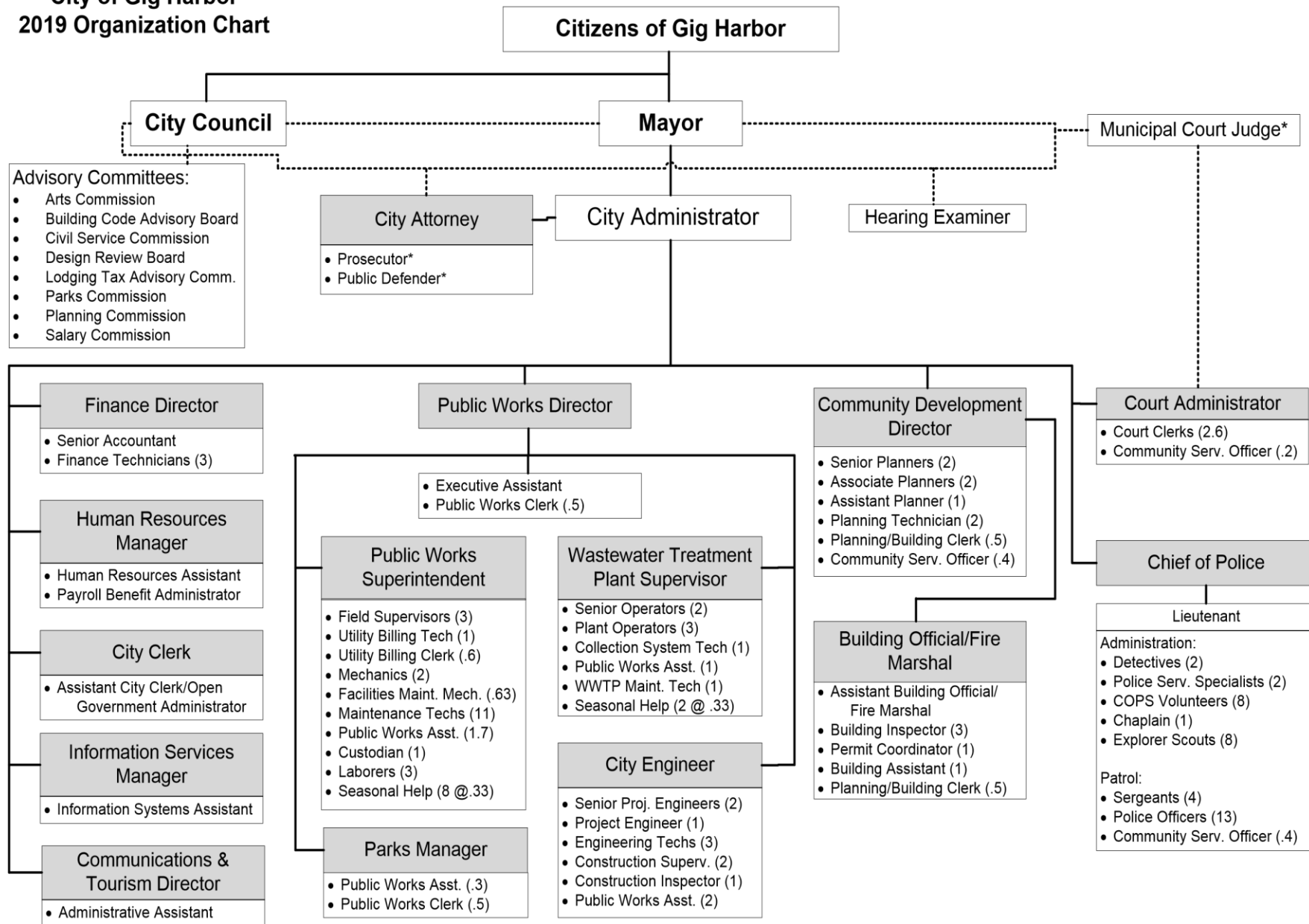
POSITION	2019 RANGE	
	Minimum	Maximum
City Administrator	11,767	14,709
Chief of Police	10,111	12,639
Community Development Director	9,480	11,850
Public Works Director	9,480	11,850
Finance Director	9,377	11,722
City Attorney	9,151	11,439
City Engineer	8,247	10,309
Information Systems Manager	8,247	10,309
Police Lieutenant	8,211	10,264
Building & Fire Safety Director	7,896	9,870
Senior Engineer	7,445	9,307
Parks Manager	7,322	9,153
Police Sergeant	7,857	8,990
City Clerk	7,157	8,947
Tourism & Communications Director	7,142	8,928
Court Administrator	7,088	8,860
Public Works Superintendent	7,051	8,814
Wastewater Treatment Plant Supervisor	7,051	8,814
Associate Engineer/Project Engineer	6,885	8,607
Senior Accountant	6,868	8,585
Senior Planner*	6,864	8,580
Human Resources Manager	6,732	8,415
Assistant Building Official/Fire Marshal	6,476	8,095
Assistant City Attorney	6,459	8,394
Field Supervisor	6,069	7,587
Construction Supervisor	6,069	7,587
Assistant City Clerk/Open Gov't Administrator	6,105	7,632
Police Officer	5,717	7,147
Senior WWTP Operator	5,714	7,143
Payroll/Benefits Administrator	5,576	6,970
Associate Planner*	5,492	6,865
Construction Inspector	5,358	6,698
Planning / Building Inspector	5,358	6,698
Executive Assistant	5,278	6,598
Mechanic	5,181	6,477
Wastewater Treatment Plant Operator	5,112	6,390
Engineering Technician	5,070	6,338
Building Maintenance Technician	5,029	6,287
Information Systems Assistant	4,960	6,200
WWTP Collection System Tech II	4,781	5,977
Maintenance Technician	3,841	5,977
Assistant Planner*	4,766	5,958
Permit Coordinator	4,766	5,958
Community Service Officer	4,724	5,905
Finance Technician	4,647	5,809
Utility Billing Technician	4,647	5,809
Planning Technician	4,623	5,779
Building Assistant	4,519	5,649
Planning Assistant	4,519	5,649
Public Works Assistant	4,519	5,649
Administrative Assistant	4,325	5,407
Lead Court Clerk	4,324	5,405
Human Resources Assistant	4,175	5,219
Police Services Specialist	3,908	4,885
Court Clerk	3,855	4,819
Custodian	3,841	4,802
Public Works Clerk	3,839	4,799
Planning/Building Clerk	3,839	4,799
Laborer	3,648	4,560

* *Planner Classification Series*

Year of Collection	Assessed Valuation	% Increase from prior year	New Construction	Annexed Property	Statutory Limit	Regular Property Tax Levied	Regular Rate/\$1,000 Assessed Value	Excess Property Tax (Voted)	Voted Rate/\$1,000 Assessed Value	Total Rate/\$1000 Assessed Value	Population
2018	2,681,847,608	16.74%	184,948,604	-	2,751,453	2,751,453	1.0260	300,000	0.1123	1.1382	10,320
2017	2,297,364,845	16.40%	96,468,604	-	2,536,013	2,536,013	1.1039	300,000	0.1312	1.2351	9,560
2016	1,973,717,595	6.21%	62,122,312	-	2,404,765	2,404,765	1.2184	300,000	0.1526	1.3710	9,065
2015	1,858,377,519	8.87%	58,215,373	-	2,318,381	2,318,381	1.2475	300,000	0.1626	1.4102	8,555
2014	1,706,920,083	3.32%	29,662,688	-	2,207,695	2,207,695	1.2934	250,000	0.1480	1.4413	7,985
2013	1,652,017,762	-6.93%	41,515,643	-	2,323,520	2,323,520	1.4065	250,000	0.1540	1.5604	7,670
2012	1,775,067,329	-7.24%	25,388,148	-	2,315,501	2,285,574	1.2876	250,000	0.1418	1.4294	7,340
2011	1,913,676,160	-7.37%	25,321,152	-	1,979,125	1,960,146	1.0243	250,000	0.1314	1.1557	7,200
2010	2,065,862,608	4.98%	85,679,173	90,565,939	1,936,280	1,915,808	0.9274	250,000	0.1217	1.0491	7,126
2009	1,967,770,378	15.33%	130,865,054	-	1,757,674	1,737,590	0.8830	250,000	0.1277	1.0107	6,910
2008	1,706,193,620	45.54%	71,073,437	31,614,500	1,752,934	1,598,969	0.9372	250,000	0.1474	1.1248	6,780
2007	1,456,487,257	43.08%	18,861,901	2,657,500	1,483,819	1,481,386	1.0183	300,000	0.2074	1.2425	6,765
2006	1,167,739,135	26.07%	21,840,086	-	1,454,601	1,447,247	1.2394	258,000	0.2225	1.4618	6,765
2005	1,010,574,497	9.31%	22,521,939	3,879,395	1,403,379	1,400,330	1.3884	-	-	1.3884	6,680
2004	926,286,008	7.46%	27,273,884	-	1,349,668	1,346,098	1.4549	-	-	1.4549	6,655



**City of Gig Harbor
2019 Organization Chart**



* Contracted Position

THE BUDGET AND BUDGET PROCESS

The budget is the legal authority to obligate public funds. It also provides policy direction by the City Council to the staff and community as well as a financial plan for the upcoming year.

Preparation of the annual budget involves every city official and employee. Each member of the city team has the opportunity and responsibility to contribute suggestions for projects and processes that would improve the city or use the city's resources more efficiently. Budget preparation can sometimes be difficult, time consuming and even frustrating, yet in the end, valuable and rewarding. The end result is a collaborative, comprehensive set of plans and policy directives for the management of the city's activities and resources for the coming fiscal period and beyond.

The budget provides four functions:

1. The budget as a policy document

Budget and financial policies provide guidelines for the City's elected officials and staff to use in making sound financial decisions. These policies help ensure that the City's basic functions are maintained and the Mayor and City Council's vision for the community is achieved.

Decisions made during the budget process and documented herein reflect the general principles or plans that guide the actions taken for the future. The budget links desired goals and objectives - obtained from the city's comprehensive plan and previous budgetary six-year goals - and policy direction to the actual day-to-day activities of the city staff.

Budget and financial policy objectives

Gig Harbor's budget and financial policies are intended to provide a framework for the financial planning and management of the city. These policies are intended to provide a level of protection for the citizens and their tax dollars by establishing financial practices that are conservative, responsible, accountable, and savings-oriented. Most of these policies represent long-standing policies, procedures and practices that are already in practice and have worked well for the city. These policies express the following goals:

- Preserve financial assets in order to meet normal operating expenses, planned future obligations and to adjust to changes in the service requirements of the community;
- Take advantage of strategic opportunities as they arise;
- Operate water, sewer and storm utilities in a fiscally sound manner;
- Maintain existing infrastructure and capital assets in good repair, working order and condition;
- Provide insulation from fiscal crisis, revenue fluctuations, general economic disruption, and other contingencies; and
- Maintain a strong credit rating thus ensuring lower cost financing when needed. A sound credit rating also demonstrates to taxpayers that the city is well managed and

follows financially sound business practices.

Due to Gig Harbor's finite revenue base and the limited potential for future revenue growth, the City must prioritize its services in order to maintain the most important services should revenues become constrained. The following services are considered priorities in the following order:

- Public Life, Health and Safety: police; fire and emergency medical services (provided by Pierce County Fire District 5); emergency preparedness; building inspections; traffic control; water, sewer, storm drainage.
- Legal Mandates: Accounting/auditing/financial reporting; land-use planning; environmental regulations.
- City Facilities and Property: Maintenance of park land; buildings; streets and right of way; and equipment.
- Other City Council and Community goals.

In keeping with the above goals and priorities, the following budget policies have been established.

Budgeting

- The budget process will be scheduled and coordinated so that major policy issues are identified for City Council review and discussion at least two months prior to budget approval. Doing so will allow adequate time for public input and analysis of options.
- The City Council will utilize its vision, goals, and the *Comprehensive Plan* as the framework for adopting the annual budget.
- To facilitate openness and public participation, the budget approval process will include noticed public hearings, Council study sessions that are open to the public, and multiple opportunities for public comment. The Mayor's proposed budget will be posted on the City's web page soon after it is made available to the City Council. The Mayor, City Council, City Administrator, and department heads will be available to respond to public inquiries and comments concerning the proposed budget.
- The budget shall balance recurring operating expenses to recurring operating revenue.
- Revenues shall be conservatively estimated and based upon the best information available.
- When appropriate, user charges and fees should reflect the full cost of providing the related service or the percentage of total service cost as determined by the city.
- One-time revenues are non-recurring in nature, and therefore, shall not be relied upon to fund regular operating budgets for ongoing programs. Cash balances in excess of the amount required to maintain reserves may be used to fund one-time or non-recurring costs.
- Enterprise funds will be self-supporting through user rates and charges.

Multi-Year Forecast

Each year the City will update expenditure and revenue forecasts for the next six years. The purpose of this forecast is to determine the long-term sustainability of operational and capital programs given limited revenue streams and resources. A multi-year forecast also facilitates budget decisions and strategic planning that go beyond annual budget horizon.

The six-year forecast shall be presented to the Council Finance & Safety Committee prior to September each year. The forecast shall include General, Street Operating and Capital, Park Development, Water, Sewer and Storm funds.

Debt

- The City will only sell bonds for lasting capital projects and property acquisitions and not for funding ongoing operations.
- The maturity date for debt will not exceed the reasonable expected useful life of the asset or project so financed.
- The City will strive toward net operating revenues of an enterprise fund (water, sewer, or storm, for example) at 1.5 times (or more) the annual debt service requirements.
- Long-term borrowing (both general obligation and revenue) will only be used for capital improvements that cannot be financed from current revenues.
- The impact of proposed capital improvements on the operating budget shall be considered when deciding whether such projects are feasible.

In deciding whether to issue debt, the City should ask and answer the following questions:

- Alternative Funding Sources. Are there alternate sources of funding available that can be used to minimize the level of debt or avoid debt completely?
- Cost of Money. Given current interest rates and projected price inflation (or deflation) of construction materials and labor, does it make sense to issue bonds now or save up the funds and pay for the project in full in a future year?
- Revenue Source. Will the annual debt be serviced with a dedicated, stable revenue source for the full term of the bond? For example, if the City is going to fund its debt service payments with real estate excise tax (REET), is the City developing its annual REET projections with cyclical housing market downturns in mind?

Capital Projects and Purchases

Capital projects, from roads to parks to utilities, are among the core purposes of City government. The preservation, maintenance, retro-fitting, and eventual replacement of the City's capital infrastructure must be a top priority of the City. In City budgeting, there is constant tension between funding operating programs and capital projects and

acquisitions. It is vital that neither be ignored and that operating programs do not, over time, crowd out funding for the capital projects that are needed to preserve the City's core infrastructure and carry out essential functions.

The City should update its capital facilities element of the Comprehensive Plan annually. Using the Capital Facilities Element as a basis, the City should plan for and include capital projects in its multi-year financial forecasts.

- Capital projects that preserve existing infrastructure should take a higher priority over acquiring or constructing new assets. Preservation and/or replacement of capital infrastructure assets should be a high priority in the City's annual budgeting and multi-year financial forecasting.
- When planning for and financing capital projects and acquisitions, ongoing maintenance and operation of new facilities should be built into the financing plan.
- The City's capital improvement plans should account for and include future growth. Growth-related capital projects should, when possible, be funded with impact fees, developer contributions, grants, and other outside sources.
- The City should depreciate its capital assets according to generally accepted accounting principles and plan for capital replacements accordingly.

Financial Compliance and Reporting

- The accounting system will maintain records on a basis consistent with generally accepted accounting standards for local government accounting and the State of Washington Budgeting, Accounting, and Reporting Systems.
- The City's financial policies, practices, and reporting will comply with State and Federal regulations and will be subject to an annual audit by the State Auditor's Office.
- The City's Finance Director will provide a quarterly financial report to the Mayor and City Council. This report will include information required in GHMC 3.01
- On at least a monthly basis, the Finance Director and City Administrator will review year-to-date revenues by source and expenditures by department. This monthly review will also include:
 - Analysis and explanations of revenue and expenditure trends and projections, including deviations from trends and projections;
 - Identification of one-time and/or cyclical revenues and expenditures (the construction component of sales tax on a large project, for example); and
 - Study and examination of economic trends on all levels (local, regional, etc.).

Fund Balances

- The City will maintain General Fund and Street Operating Fund undesignated balances equal to 60 days of average daily operating expenditures.
- Because budgeted capital projects are established with a contingency amount, non-enterprise capital project funds (street capital and park capital, for example) are not required to maintain an undesignated fund balance. However, pro-rata

contributions from developers for future public projects must be identified and accounted for either as reserved fund balance or a current year expense in the affected capital fund.

- Fund balances in enterprise funds shall be maintained at levels established through rate studies or at levels equal to a target of 60 days of operations and maintenance expenses that are necessary to meet operating, capital, and contingency requirements.
- Balances in other funds will comply with State law and/or debt service requirements.

Reserve Funds

This budget includes three distinct reserve funds (aside from reserve funds required for bond issues): Civic Center Debt Reserve Fund, Strategic Reserve Fund, and Equipment Replacement Reserve Fund. The Civic Center Debt Reserve Fund has been in place and accumulating since 2002, and the other two were newly established in 2011. The purposes and policies of these three reserve funds are described as follows:

Civic Center Debt Reserve Fund. The purpose of this fund is to build up a balance large enough to retire all or a significant portion of the Civic Center debt several years prior to maturity in 2026. The Civic Center bonds will be callable in 2020, at which time the City Council may wish to retire all or a portion of the bonds, depending on the accumulated balance in the reserve fund, cost of money at the time, and/or other priorities.

Strategic Reserve Fund. Establishing a Strategic Reserve fund allows the City to 1) take advantage of strategic opportunities as they arise (key land purchases or matching funds for capital grants, for example); and 2) insulate the City from revenue fluctuations, economic downturns (i.e., “rainy days”), and other contingencies such as:

- Emergencies and disasters
- Uninsured losses
- Tax refunds

The “rainy day” portion of the Strategic Reserve fund is limited by RCW 35a.33.145 to \$0.375 per \$1,000 of assessed valuation. The target balance for the “strategic” portion of this fund is \$3,000,000.

The City may use General Fund operating revenues and undesignated fund balances to build up this fund. Each budget cycle, the City Council will establish a target amount for this fund based on a percentage of operating expenditures or some other method at the City Council’s discretion. If drawn down, the Strategic Reserve Fund should be replenished back to the targeted amount within three years. Spending from this fund shall not be done without City Council authorization.

Equipment Replacement Reserve Fund. Establishing a fund by which to save for significant purchases levels out the financial peaks and valleys that come from owning vehicles and equipment. This fund is not intended to be an equipment rental fund, nor is

it intended to fully fund equipment or vehicle purchases at the time of acquisition. Rather, this fund is intended to establish a reserve that will fund at least a portion of vehicles and equipment as they are replaced, thereby reducing the expenditure spikes that can otherwise occur. Only the General Fund will contribute to this Fund. Enterprise Funds will pay for their share of equipment and vehicles on a pay-as-you-go basis, as established and planned for in the utility rate studies. As part of the City's multi-year financial forecasting, the City Administrator will recommend a target amount for this Fund over multiple years, based on projected equipment and vehicle needs and life spans. Each year the City Council, at its discretion, will add to and/or spend from this fund, based on the needs of the City. No spending from this fund will be authorized without City Council approval. In extenuating and difficult financial times, the City Council may delay vehicle and equipment purchases and transfer money from this fund back into the General Fund.

2. The budget as a financial plan

Financial planning is the most basic aspect of the budget and is a requirement of state law. The budget must be adopted as a balanced budget and must be in place prior to the expenditure of any city funds. The budget is the legal authority to expend public monies and controls those expenditures by limiting the amount of the appropriation at either the fund or department level. Revenues and beginning fund balances are estimated to determine resources available in each fund. Council and staff expenditure requests, other commitments such as debt service requirements, and desired ending fund balances are balanced against available resources to determine department and fund appropriations.

3. The budget as an operational guide

The functions and/or goals of each department and fund are described in the following sections, along with the objectives planned for the current biennium to perform those functions and meet those goals. To the extent practical, an estimate of the amount of expenditure or staff time to accomplish the objective is noted in the narratives. The expenditures are then summarized by department, fund and for the city as a whole. This process assists in maintaining an understanding of the various operations of the city and how they relate to each other and to the attainment of the policy issues and goals of the City Council.

4. The budget as a communication device

The budget provides a unique opportunity to allow and encourage public review of city operations. The budget document describes the activities of the city, the reason or cause for those activities and future implications. The budget process invites individual citizens to provide direct input to the budget. Citizens are always welcome to discuss problems, desires and opportunities with the Mayor, City Council and staff. These discussions frequently lead to budget objectives. Additionally, the city holds two public hearings on the budget and another on revenue sources where the public is formally invited to participate in the budget process. The preliminary budget is available to the public throughout the budget process.

Basis of the budget

The budget is prepared on the modified accrual basis of accounting. This is substantially the same as the cash basis of accounting with the following significant exceptions: 1. Revenues are recognized when they are "measurable and available" which may be before they are collected; and, 2. Expenditures are recognized when the liability is incurred (i.e. when an item is purchased or a service is performed), rather than when payment is made.

The annual financial report of the city is prepared on the same basis for the governmental fund types (the general fund, special revenue funds and debt service funds). The budget can be directly compared to the operating reports in the annual financial report for these funds. The enterprise or proprietary funds are also budgeted on the modified accrual basis, but report on the accrual basis in the annual report. Therefore, the budget for these funds is not directly comparable to the annual report. The primary differences of the accrual basis are 1. Revenues are recognized when earned; 2. Collection of assessment principal is recognized as a reduction in receivables rather than as revenue; 3. Depreciation of capital assets is recognized as an expense; 4. Acquisition of capital assets is recognized as an increase in assets rather than as an expenditure; and, 5. Payment of debt principal is recognized as a decrease in liabilities rather than as an expenditure.

While these differences may be confusing, the basis for budgeting is consistent with state law and is practical both for preparing and managing the budget. The basis for reporting is consistent with generally accepted accounting principles (GAAP) and facilitates the management of the enterprise funds as self-supporting business-like entities.

BUDGET CALENDAR

Washington city budget procedures are mandated by Chapter 35A.33 RCW. These mandates are incorporated into the procedures described below:

- May - The Mayor submits notice to department directors to file budget narratives (functions, goals, objectives, performance measures, and staffing requests). Department directors solicit suggestions from and conduct discussions with their staff. Completed narratives and forms are returned to Finance Department.
- June - The Mayor submits notice to department directors to file budget requests and forms for funding levels and requests.
- August - Department directors return appropriation requests, revenue estimates, and forms, and meet with Mayor to discuss budget requests and review department objectives/programs.
- September – The Mayor proposes the preliminary budget. The Mayor and City Council may hold a retreat to establish priorities for the upcoming budget.
- October 1 - The Mayor submits the proposed budget to the City Council. This budget is based on priorities established by the Council and estimates provided by city departments during the preceding months, prioritized and balanced with revenue estimates made by the finance director.
- October 15 & 16 - The Council holds budget study sessions.
- November 13 & 26 - The Council conducts public hearings on the proposed budget.
- Prior to December 31 - The Council makes its adjustments to the proposed budget and adopts by ordinance a final balanced budget.

The budget is available to the public throughout the entire process.

The budget is adopted at the department level in the General Fund and at the fund level in all other funds. Any unexpended appropriation balances lapse at year end. Any changes in staffing levels or composition and significant capital expenditures must also be included in this budget document or be specifically approved by council motion.

Amending the budget

The Mayor, City Administrator and Finance Director are authorized to transfer budget amounts between categories within funds or general fund departments; however, any revisions that alter the total expenditures of a department or fund, or affect the number of authorized employee positions or salary ranges must be approved by the City Council. When the City Council determines that it is in the best interest of the city to increase or decrease the appropriation for a particular fund, it may do so by ordinance approved by one more than the majority of the City Council.

BUDGET DOCUMENT ORGANIZATION

Following this summary is a section for each fund and department that includes a description of function, narratives of goals, objectives, capital outlay, and schedules of staff adjustments, revenues and expenditures, as appropriate.

Description of function: The description of function defines the fund or department's purpose and ongoing responsibilities.

Narrative of goals: The narrative of goals describes long-range accomplishments which the fund or department plans to achieve over a five to six-year period.

Narrative of objectives: The narrative of objectives describes more immediate targets that can be accomplished within the biennium. These may be isolated projects or steps toward fulfilling a long-term goal. Routine procedures accomplishing the department's function are generally not included.

Narrative of capital outlay: The narrative of capital outlay lists all significant capital purchases unless adequately described under objectives.

Staff adjustments: The staff adjustments schedule explains any additions, deletions or reclassification of positions.

Resource and expenditure schedules summarize the sources and uses of funds that accomplish these functions, goals, and objectives. The schedules are broken down by type of resource or use and show comparative amounts for 2015 and 2016. The General Fund section includes a schedule of budgeted and actual expenditures by department.

REVENUE ANALYSIS

Economic assumptions

The economic expansion is maturing and the local economy, while still strong is showing signs of slowing down as evidenced by flattening year over year growth.

2018 year to date through July sales taxes are up two percent over 2017; this is down from nine percent year over year growth in 2017 and 14 percent growth in 2016.

While still higher than average, building permit revenues are down about 30 percent through August as compared to 2017.

The June 2018 forecast from the State of Washington Economic and Revenue Forecast Council shows a strengthening US and Washington economy through the end of the 2017-18 biennium and through 2019.

The downside risks to this forecast are:

- International trade and fiscal policy uncertainty
- Geopolitical risks: North Korea, Russia, Iran, Venezuela, Europe
- Higher oil and gasoline prices
- Maturing economic expansion

This forecast, coupled with local development activity leads us to believe that the current level of activity is likely to continue through 2018 and throughout the 2019 fiscal year. The 2019 budget was developed with the assumption that the economy will remain strong and continue through the year and throughout 2019. Our assumption for sales tax growth in 2019 is a 4.0 percent increase over 2018. It is important to note that the new development/construction portion of sales taxes traditionally runs at about 15 to 25 percent of total sales taxes received.

City Revenues

The major revenue sources for the city's governmental activities are taxes and development fees; while the major sources of revenue for the utilities (water, sewer and storm) are charges for services and connection fees. The major tax sources are sales, property and public utility taxes, and, to a lesser extent real estate excise taxes.

The major revenue source for the city's utilities (Water/Sewer and Storm) are the monthly or bi-monthly service charges and connection fees also known as general facility charges. The monthly charges for water and sewer consist of a base fee and a commodity charge. The city collects a connection fee when a property is developed and will become a customer of a particular service.

Revenue Summary

The major sources of revenue for the city's major funds are as follows:

Fund	Description	2019 Budget	% of Total Revenue
General fund	Sales tax	7,584,315	30.1%
	Property tax	2,805,507	11.1%
	Utility tax & franchise fees	1,877,444	7.5%
	Permit fees	1,571,875	6.2%
Street Operating fund	General fund transfer	2,300,000	9.1%
Water Operating fund	Customer charges	2,363,613	9.4%
Sewer Operating fund	Customer charges	5,650,852	22.4%
Storm Operating fund	Customer charges	1,033,346	4.1%

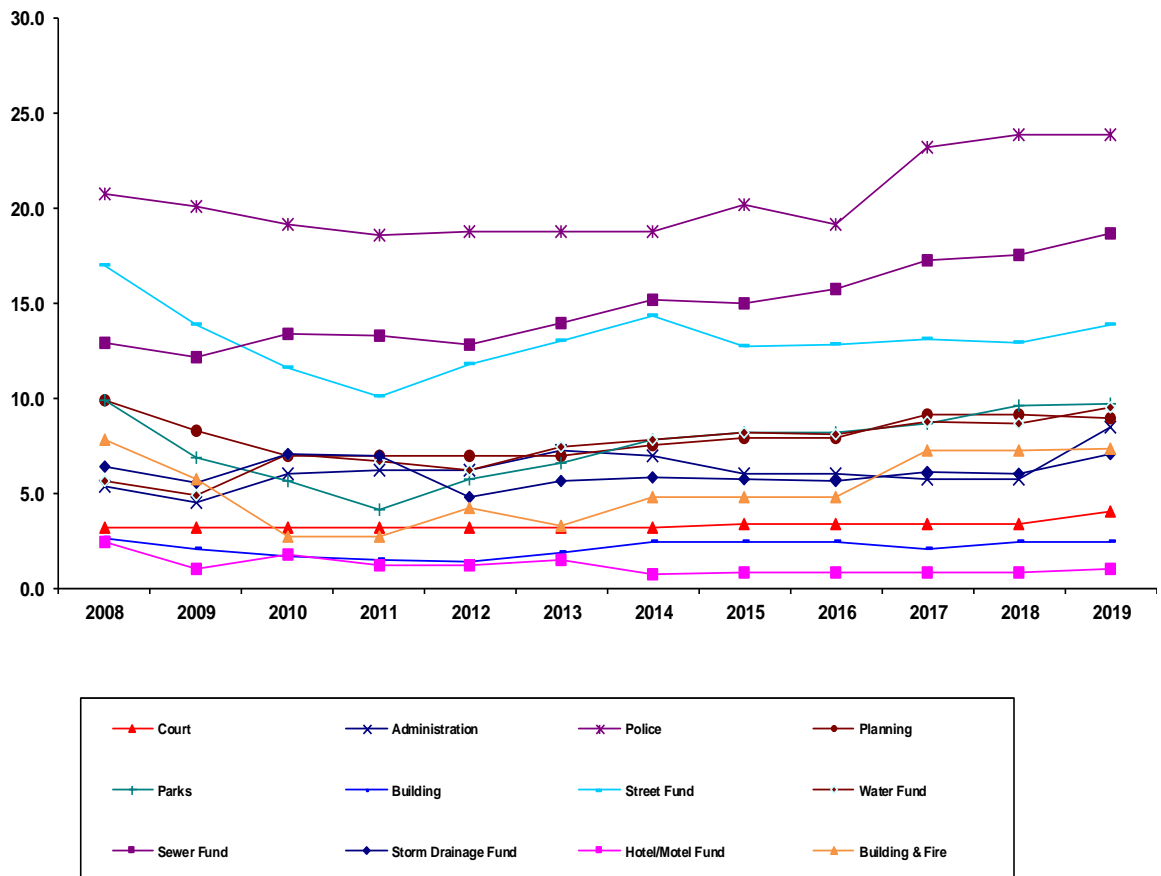
City of Gig Harbor
2019 Annual Budget

All Funds

Proposed Budgeted Staffing Levels
(In Full Time Equivalents)

General Fund By Department	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Court	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.4	3.4	3.4	3.4	4.0
Administration	5.3	4.6	6.0	6.2	6.2	7.3	7.0	6.1	6.1	5.8	5.8	8.5
Police	20.7	20.1	19.2	18.6	18.8	18.8	18.8	20.2	19.2	23.2	23.9	23.9
Building & Fire	7.9	5.8	2.8	2.8	4.3	3.3	4.8	4.8	4.8	7.3	7.3	7.3
Planning	9.9	8.2	7.0	7.0	7.0	7.0	7.5	7.9	7.9	9.2	9.2	8.9
Parks	9.9	6.9	5.6	4.2	5.8	6.6	7.8	8.2	8.2	8.6	9.6	9.7
Building	2.7	2.1	1.7	1.5	1.4	1.9	2.5	2.5	2.5	2.1	2.5	2.5
Total General Fund	60.3	51.2	45.1	43.3	46.5	47.9	51.4	53.4	51.9	59.4	61.5	64.7
Hotel/Motel Fund	2.5	1.1	1.8	1.3	1.3	1.5	0.8	0.9	0.9	0.9	0.9	1.1
Street Fund	16.9	13.9	11.6	10.1	11.8	13.0	14.3	12.7	12.8	13.1	12.9	13.8
Water Fund	5.6	4.9	7.1	6.7	6.2	7.4	7.8	8.2	8.1	8.7	8.6	9.5
Sewer Fund	12.9	12.2	13.4	13.3	12.9	13.9	15.1	15.0	15.7	17.2	17.6	18.6
Storm Drainage Fund	6.4	5.6	7.0	6.9	4.8	5.6	5.8	5.7	5.6	6.2	6.0	7.1
Total Budgeted Staffing	104.6	88.8	85.9	81.6	83.4	89.3	95.2	95.9	95.0	105.4	107.4	114.8

Budgeted Staffing Levels



Estimate of Ending Fund Balance By Fund Type

This table shows the 2019 budgeted ending fund balances for each fund type.

2019					
Fund Type	Beginning Balance	Revenues	Expenditures	Transfers In (Out)	Ending Balance
General	\$ 2,946,473	\$ 15,054,159	\$11,611,207	\$(3,354,498)	\$ 3,034,927
Special Revenue	9,473,859	8,701,766	8,038,073	811,125	10,948,677
Debt Service	225,764	307,500	2,822,491	2,543,373	254,146
Enterprise	19,526,157	13,133,373	16,728,595	-	15,930,935
Total	\$ 32,172,253	\$ 37,196,798	\$39,200,366	\$ -	\$30,168,685

MUNICIPAL DEBT**General Obligation Debt**

General Obligation (GO) bonds are direct obligations of the city for which its full faith and credit is pledged. Under RCW 39.36.020, the public may vote to approve bond issues for general government purposes in an amount not to exceed 2.5% of the assessed valuation. Within the 2.5% limit, the City Council may approve bond issues (or other types of debt, including lease-purchase contracts) without a vote. These non-voted, or councilmanic, GO bonds may not exceed 1.5% of the city's assessed valuation.

Under RCW 39.36.030, the public may also vote to approve bond issues for utilities or park facilities, each of which is limited to 2.5% of the city's assessed valuation. GO bonds may be issued up to a maximum of 7.5% of the city's assessed valuation. All voted bonds require a 60% majority approval. To validate the election, the total votes cast must equal at least 40% of the total votes cast in the last general election.

Principal and interest payments on GO bonds, as well as the resources to pay them are accounted for in Debt Service Funds. Debt service for voted bond issues is funded with special (excess) property tax levies. Debt service for councilmanic bonds is funded with transfers of general revenues from the General Fund to the Debt Service Fund.

2019 Municipal Debt Capacity					
Assessed Valuation=		2,929,169,223 (as of September 14, 2018)			
Debt Type	Councilmanic (Non-voted)	Councilmanic & Voted	Utility Voted	Parks Voted	Total
Limit - percentage	1.5%	2.5%	2.5%	2.5%	7.5%
Limit - Amount	43,937,538	73,229,231	73,229,231	73,229,231	219,687,692
outstanding debt @ 1/1/2019	9,122,510	9,122,510	-	1,404,000	10,526,510
Available Capacity	34,815,028	64,106,721	73,229,231	71,825,231	209,161,182

Revenue Debt

Revenue debt is issued for the acquisition of utility facilities and is backed by system revenues. In 2018 outstanding revenue debt is as follows:

- In 2008 the city received a \$10 million Public Works Trust Fund loan. This is a 20 year loan carrying a 0.5 percent interest rate with final payment due July 1, 2028. Average annual principal and interest payments for the remaining years of this loan are about \$546,000.
- In June 2010 the city issued Water/Sewer revenue bonds in the amount of \$6,035,000. These bonds were issued to fund completion of the waste water treatment plant and to replace certain aging water mains in the city's water system. Responsibility for the debt service on the bonds is: Water – 31 percent and Sewer – 69 percent. The bonds are Build America Bonds (BABs). This means that the city receives a 35 percent subsidy on the interest payments over the life of the

bonds. Average annual net debt service (net of BAB subsidy) over the remaining life of the bonds is \$431,000.

- In August 2010 the city issued Water/Sewer revenue bonds in the amount of \$8,190,000 finance construction of the waste water treatment plant outfall extension. The bonds are split between Build America Bonds (BABs) - \$5,580,000 and tax free revenue bonds - \$2,610,000. Average annual net debt service over the remaining life of the bonds is \$594,000 (BABs) and \$432,000 (tax free revenue bonds).
- In 2012 the city received a \$4,845,850 Public Works Trust Fund loan. This is a 20 year loan carrying a 0.25 percent interest rate with final payment due June 1, 2032. Average annual principal and interest payments for the remaining years of this loan are about \$281,100.

State law does not limit revenue debt. It is limited by the bond covenants which are contained in the bond's enabling ordinance. The primary requirement is that "net revenue" of the water and sewer utilities (utility revenue less utility maintenance and operation costs, plus collection of connection fees) must be at least 125% of the succeeding year's debt service.

The following table is a calculation of the city's net revenue and debt coverage as budgeted for 2019. It is important to note that the budgeted revenues include connection fees, which can fluctuate greatly from year to year.

Parity Debt Service Coverage City of Gig Harbor Water and Sewer Utility

	<u>2019</u>
Operating revenues:	
Charges for sales and services:	
Water sales	\$ 2,363,613
Sewer charges	5,650,678
Connection fees	2,825,273
Other fees and charges	1,140,909
Utility taxes	307,600
Total operating revenues	<u>12,288,073</u>
Operating expenses:	
Operations and maintenance	3,900,745
Administration	2,038,064
Utility taxes	219,369
Total operating expenses	<u>6,158,178</u>
Operating income (loss)	<u>6,129,895</u>
Nonoperating revenues (expenses):	
Investment interest revenue	157,786
Miscellaneous non-operating revenue	3,000
Total nonoperating revenues (expenses)	<u>160,786</u>
Revenue Available for Debt Service	<u>\$ 6,290,681</u>
 Maximum principal and interest due in succeeding years	 \$ 1,727,500
Coverage	3.64x
 Maximum with Junior Lien Obligations	 \$ 2,590,000
Coverage with Junior Lien	2.43x

Expenditures By Fund

	2015 Actual	2016 Actual	2017 Budget	2018 YE Estimate	2019 Budget
General Fund	14,474,656	17,021,198	20,234,519	19,243,085	18,000,632
Special Revenue Funds					
Street Operating	2,240,347	2,239,063	3,238,207	2,641,085	3,351,347
Street Capital	1,004,160	1,964,596	8,125,090	8,089,920	3,501,827
Drug Investigation State	8,349	8,387	8,411	8,511	6,849
Drug Investigation Federal	19,822	19,382	19,436	17,894	16,446
Hotel - Motel	609,530	716,398	852,414	899,077	939,595
Public Art Capital Projects	78,505	88,850	98,923	110,130	131,610
Park Development	4,333,149	3,784,996	3,690,977	8,022,029	4,011,045
Civic Center Debt Res.	1,683,402	1,753,395	1,757,568	1,839,260	1,859,260
Strategic Reserve	558,811	581,250	662,933	750,579	513,579
Equipment Repl. Res.	210,867	221,788	271,788	321,788	321,788
Capital Development	918,855	1,235,788	1,769,448	2,122,191	896,991
Capital Improvement	857,839	1,168,256	1,632,547	1,960,306	1,827,106
Impact Fee Trust	1,328,660	3,161,028	3,805,035	2,918,652	1,805,652
Hospital Benefit Zone Revenue	4,694,776	6,357,937	6,272,478	8,312,530	3,493,030
Lighthouse Maintenance	-	-	-	-	-
Total Special Revenue	18,547,072	23,301,114	32,205,255	38,013,952	22,676,125
Debt Service Funds					
LTGO Bond Redemption	1,112,505	1,205,900	1,425,830	1,419,655	2,557,747
UTGO Bond Redemption	418,596	423,686	441,195	480,102	518,890
Total Debt Service	1,531,101	1,629,586	1,867,025	1,899,757	3,076,637
Total General Gov.	34,552,829	41,951,898	54,306,799	59,156,794	43,753,394
Enterprise Funds					
Water Operating	2,424,342	3,015,322	3,086,118	3,926,883	3,682,274
Sewer Operating	5,831,772	6,548,260	7,456,075	8,273,463	7,170,599
Shorecrest Reserve	121,641	138,123	157,492	149,139	167,790
Utility Reserve	1,403,631	1,403,327	1,416,862	1,528,721	1,548,721
Utility Bond Redemption	5,283,749	3,986,697	9,630,435	3,411,895	3,588,971
Sewer Capital Const.	11,047,062	9,507,302	8,709,274	13,561,455	10,844,866
Storm Sewer Operating	1,963,139	2,176,167	2,466,237	2,672,323	2,502,773
Storm Sewer Capital	458,514	628,378	719,679	1,219,475	2,471,662
Water Capital Assets	2,616,142	3,104,423	4,826,991	5,271,213	5,672,921
Total Enterprise	31,149,992	30,507,999	38,469,163	40,014,567	37,650,577
Total Expenditures	\$ 65,702,820	\$ 72,459,896	\$ 92,775,964	\$ 99,171,361	\$ 81,403,971

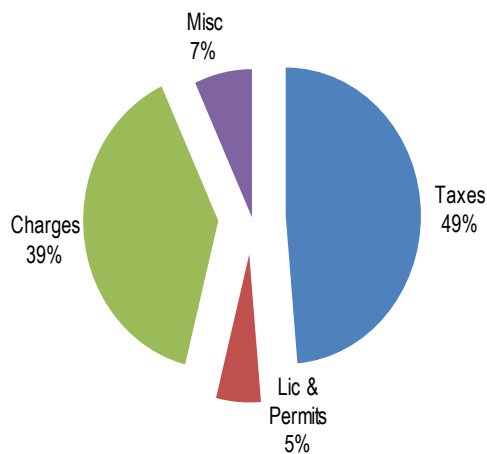
City of Gig Harbor
2019 Annual Budget

All Funds

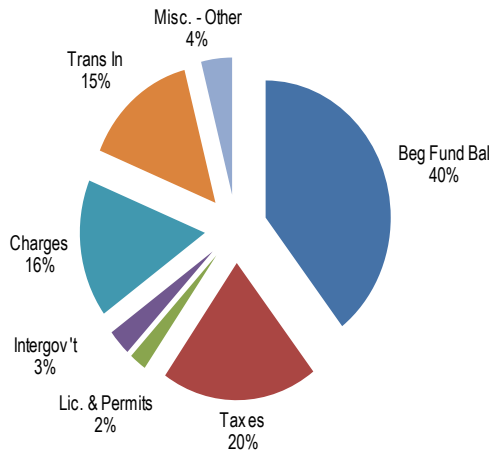
Resources

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Beginning Fund Balance	\$ 23,321,174	\$ 28,595,354	\$ 29,900,279	\$ 34,337,584	\$ 32,172,253
Taxes	13,846,813	14,485,280	15,722,101	16,808,321	16,431,044
Licenses & Permits	2,067,126	2,111,572	2,059,068	1,749,805	1,803,839
Intergov't Revenues	1,776,706	887,765	4,411,274	5,540,396	2,480,321
Charges For Services	11,695,370	14,329,048	14,206,197	14,002,110	13,232,374
Fines & Forfeits	138,036	152,679	128,545	156,599	150,500
Miscellaneous	235,211	332,975	1,039,387	769,644	2,182,054
Transfers In	9,353,033	10,146,848	18,786,312	19,232,042	12,034,920
Other	3,244,587	1,418,376	7,089,295	196,507	916,666
Total Revenues	42,356,882	43,864,543	63,442,179	58,455,424	49,231,718
Total Resources	\$ 65,678,056	\$ 72,459,897	\$ 93,342,458	\$ 92,793,008	\$ 81,403,971

2019 Budget Operating Revenues



2019 Total Resources



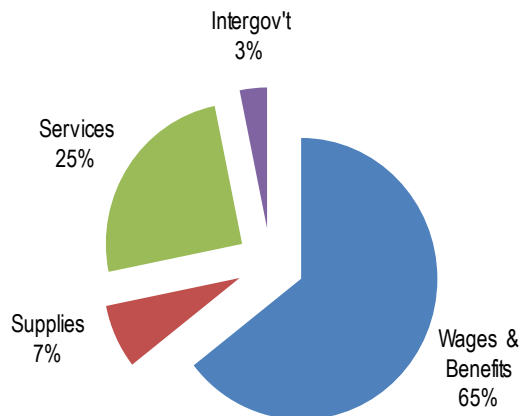
City of Gig Harbor
2019 Annual Budget

All Funds

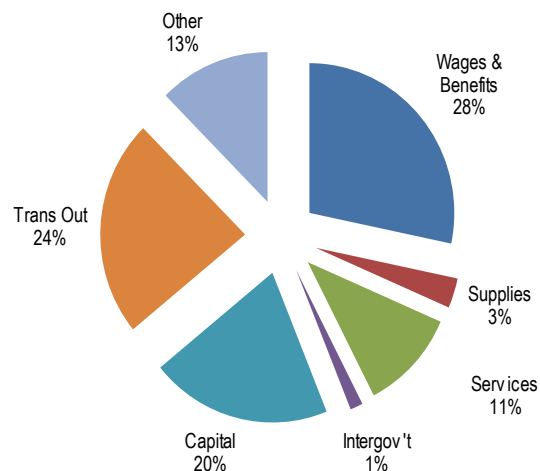
Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Budget	2018 YE Estimate	2019 Budget
Salaries	\$ 7,424,602	\$ 7,776,810	\$ 8,380,833	\$ 9,191,325	\$ 9,884,600
Benefits	3,352,376	3,467,181	3,793,448	4,081,344	4,608,264
Supplies	1,010,246	1,029,841	1,148,543	1,205,036	1,655,916
Services	3,507,838	3,618,886	5,001,379	5,201,509	5,609,929
Intergov't charges	474,686	597,603	701,900	855,812	726,411
Capital expenditures	8,257,140	11,015,985	17,289,040	15,687,136	10,349,253
Transfers out	9,158,252	10,845,594	18,576,331	20,049,042	12,034,920
Other	3,334,282	4,048,347	3,849,398	4,299,227	6,365,993
Total expenditures	36,519,422	42,400,247	58,740,872	60,570,431	51,235,286
Ending fund balance	29,158,634	30,059,650	34,601,586	32,222,577	30,168,685
Total uses	\$ 65,678,056	\$ 72,459,897	\$ 93,342,458	\$ 92,793,008	\$ 81,403,971

2019 Budget Operating Expenditures



2019 Total Uses



2. GENERAL FUND

General Fund Revenue Resource Summary.....	46
Non-Departmental – Dept. 01.....	50
Legislative / City Council – Dept. 02.....	52
Judicial / Municipal Court – Dept. 03.....	54
Administrative / Finance – Dept. 04.....	61
Police – Dept. 06.....	80
Planning – Dept. 14.....	89
Building & Fire Safety – Dept. 14.....	98
Public Works – Dept. 14.....	103
Parks – Dept. 15.....	108
City Buildings – Dept. 16.....	118

**GENERAL FUND
DESCRIPTION OF FUNCTION**

The General Fund is the general operating fund of the city. It accounts for all financial resources and transactions except those that are required to be accounted for in another fund.

Resources include sales, property, utility and other taxes, fees from various permits, licenses and user charges, and shared revenues, grants and entitlements from the State of Washington.

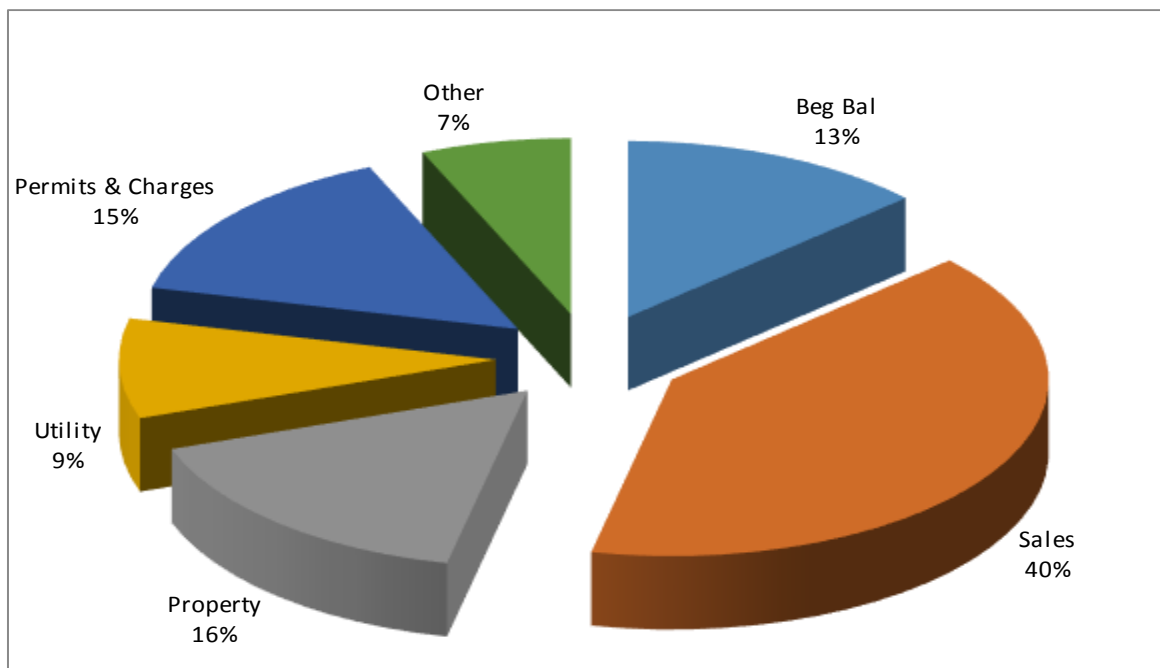
Most of the activities included in the City of Gig Harbor's General Fund are departmentalized and include legislative, municipal court, police, development services, parks, and overall administration. Other miscellaneous expenditures are included in the "non-departmental" department of the General Fund.

The General Fund accounts for 21 percent of 2019 appropriations and more than half of the city's employees and budgeted salaries and benefits.

The General Fund also provides general city resources to other funds in the form of operating transfers.

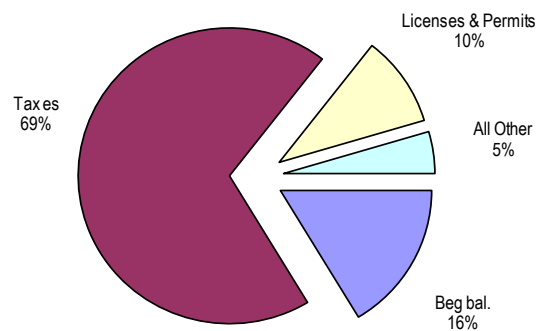
General Fund Resource Summary

	2018 Estimate	2019 Budget	2019 Change
Beginning Fund Balance	\$ 4,528,723	\$ 2,946,473	\$ (1,582,250)
Taxes			
Sales	7,292,611	7,584,315	291,704
Property	2,723,793	2,805,507	81,714
Utility	1,574,386	1,625,588	51,202
Other Taxes	419,899	430,401	10,502
Total Taxes	12,010,689	12,445,811	435,122
Licenses and Permits	1,720,731	1,783,839	63,108
Intergovernmental	188,699	178,706	(9,993)
Charges for Services	271,807	273,659	1,852
Fines and Forfeits	156,599	150,500	(6,099)
Miscellaneous	218,050	221,644	3,594
Other	147,787	-	(147,787)
Total General Fund Revenues	\$ 14,714,362	\$ 15,054,159	\$ 339,797
Total General Fund Resources	\$ 19,243,085	\$ 18,000,632	\$ (1,242,453)

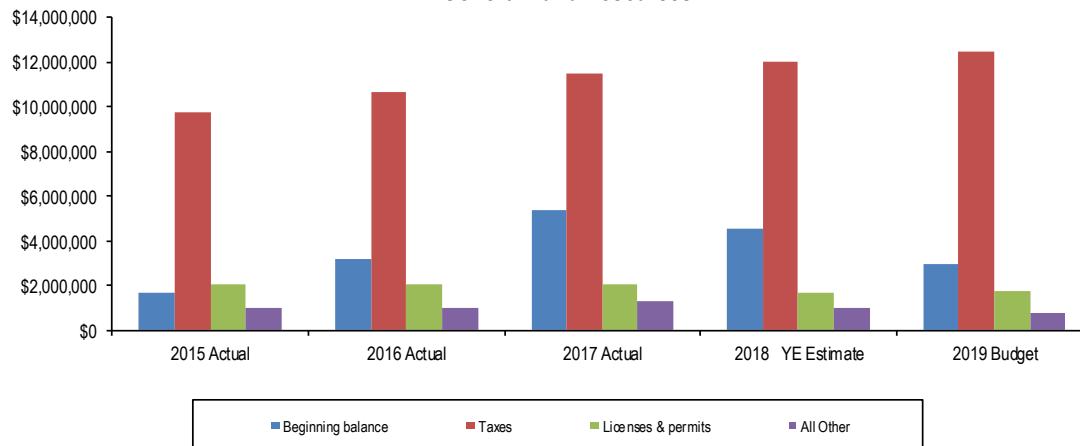


Category	Resources				
	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Beginning balance	\$ 1,687,346	\$ 3,213,010	\$ 5,367,514	\$ 4,528,723	\$ 2,946,473
Taxes	9,711,857	10,677,462	11,513,090	12,010,689	12,445,811
Licenses & permits	2,046,251	2,090,087	2,039,471	1,720,731	1,783,839
Intergov't revenues	169,905	165,190	186,834	188,699	178,706
Charges for services	270,361	504,409	302,066	271,807	273,659
Fines & forfeits	137,884	152,679	128,545	156,599	150,500
Miscellaneous	104,825	168,493	321,419	218,050	221,644
Transfers In	4,974	2,116	16,205	-	-
Other	341,253	47,752	359,375	147,787	-
Total Revenues	12,787,310	13,808,188	14,867,005	14,714,362	15,054,159
Total Resources	\$ 14,474,656	\$ 17,021,198	\$ 20,234,519	\$ 19,243,085	\$ 18,000,632

2019 Budget



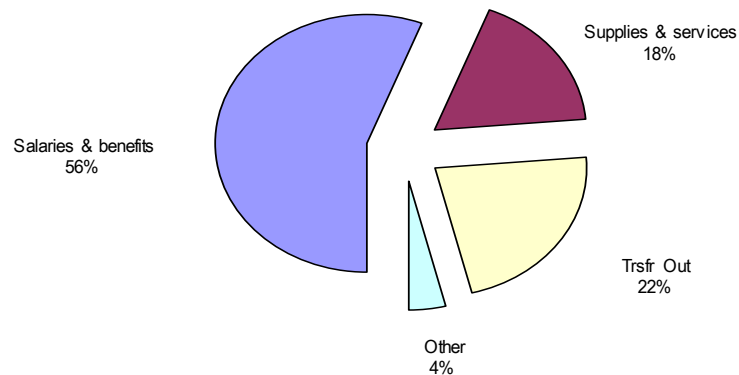
General Fund Resources



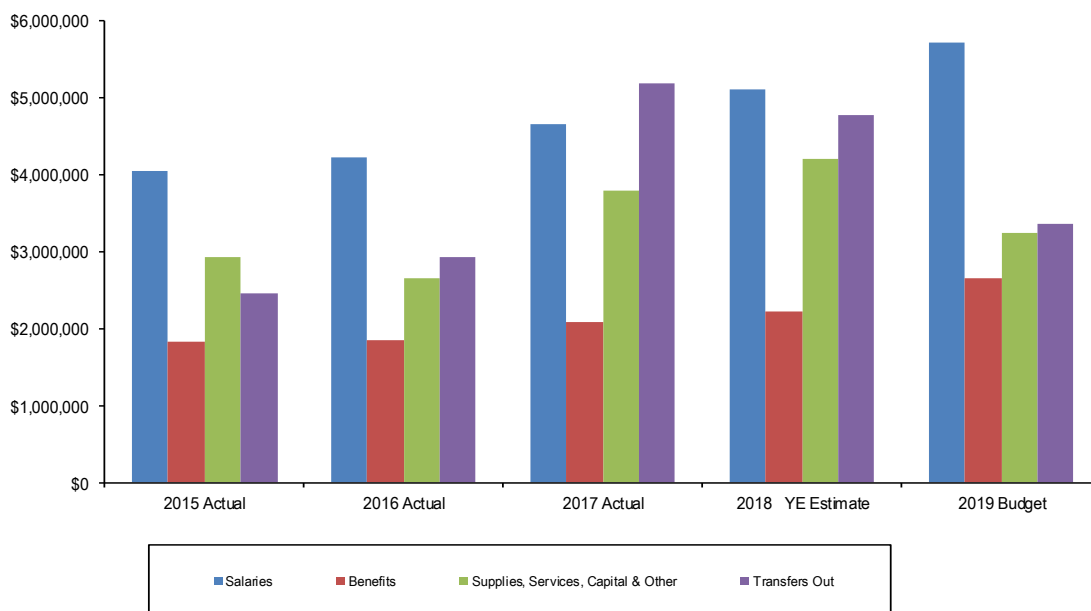
Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Salaries	\$ 4,052,512	\$ 4,228,441	\$ 4,649,479	\$ 5,107,527	\$ 5,711,300
Benefits	1,825,577	1,857,422	2,087,810	2,226,922	2,653,960
Supplies	321,998	320,270	349,870	393,729	481,107
Services	1,988,275	1,949,749	2,498,510	3,170,680	2,178,007
Intergov't charges	252,504	312,819	401,741	557,373	456,112
Capital expenditures	365,780	60,979	532,335	78,104	130,721
Transfers Out	2,455,000	2,924,004	5,186,051	4,762,277	3,354,498
Total	11,261,646	11,653,684	15,705,796	16,296,612	14,965,705
Ending balance	3,213,010	5,367,514	4,528,723	2,946,473	3,034,927
Total uses	\$ 14,474,656	\$ 17,021,198	\$ 20,234,519	\$ 19,243,085	\$ 18,000,632

2019 Budget



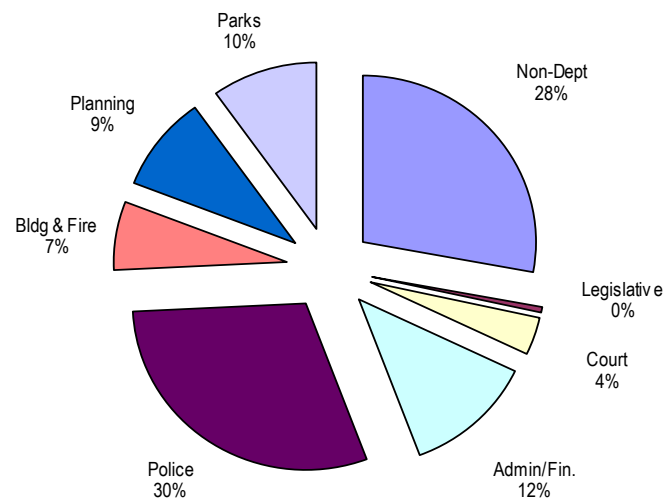
General Fund Expenditures



Departmental Expenditures

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Non-Departmental	\$3,185,714	\$ 3,470,929	\$ 5,872,222	\$ 5,575,325	\$ 4,074,598
Legislative	58,566	63,727	64,785	67,601	78,344
Municipal Court	419,777	429,090	434,840	447,993	534,400
Admin/Finance	1,434,877	1,422,239	1,639,315	1,664,771	1,778,727
Police	3,389,012	3,254,043	4,160,642	4,057,794	4,372,839
Buidling & Fire	566,625	749,778	849,242	924,424	971,400
Planning	1,016,659	1,038,789	1,203,017	1,251,901	1,353,260
Parks & Recreation	899,410	915,515	1,151,343	1,251,902	1,439,162
Building	291,006	309,574	330,390	1,054,901	362,975
Total	11,261,646	11,653,684	15,705,796	16,296,612	14,965,705
Ending balance	3,213,010	5,367,514	4,528,723	2,946,473	3,034,927
Total uses	\$ 14,474,656	\$ 17,021,198	\$ 20,234,519	\$ 19,243,085	\$ 18,000,632

2019 Budget



NON-DEPARTMENTAL DESCRIPTION OF FUNCTION

General government expenditures that are not associated with a specific department are accounted for in the non-departmental department. Transfers of general government resources to other funds represent the largest portion of these expenditures. Also included are payments for property and liability insurance and the annual audit.

NARRATIVE OF OBJECTIVES

1. **Legislative.** The county auditor's office charges the city for voter registration and election services. **2019 - \$46,800.**
2. **Financial.** The annual audit performed by the state auditor's office: **2019 - \$47,250.** Insurance for General Governmental activities: **2019 - \$359,492.**
3. **Employee benefits.** Payments for LEOFF I retiree costs, workers' compensation and unemployment benefits for former employees. **2019 - \$39,000.**
4. **Unemployment benefits.** The city is self-insured; therefore, unemployment benefit claims are fully funded by the city. Summer hires and temporary employees are also entitled to unemployment. **2019 - \$26,000.**
5. **Fire inspections.** Continue to work with Fire District No. 5 to operate the annual fire prevention inspection program. **2019 - \$69,562.**
6. **Operating transfers out.** General fund transfers to other funds for the 2017-18 biennium are as follows:

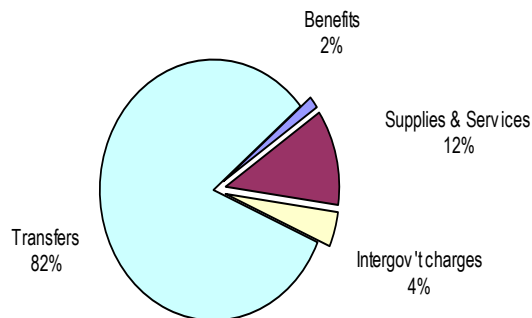
Fund	Amount
Street Operating	\$2,300,000
LTGO Debt	904,498
Strategic Reserve	80,000
Equipment Reserve	50,000
Public Art	20,000

7. **Senior Center.** The Active Retirement and Senior Club of Gig Harbor is located inside the Jim and Carol Milgard Family HOPE Center Cheney Family Branch Boys and Girls Club. This funding will support learning and enrichment activities for seniors at the Senior Learning Center. **2019 - \$2,000.**

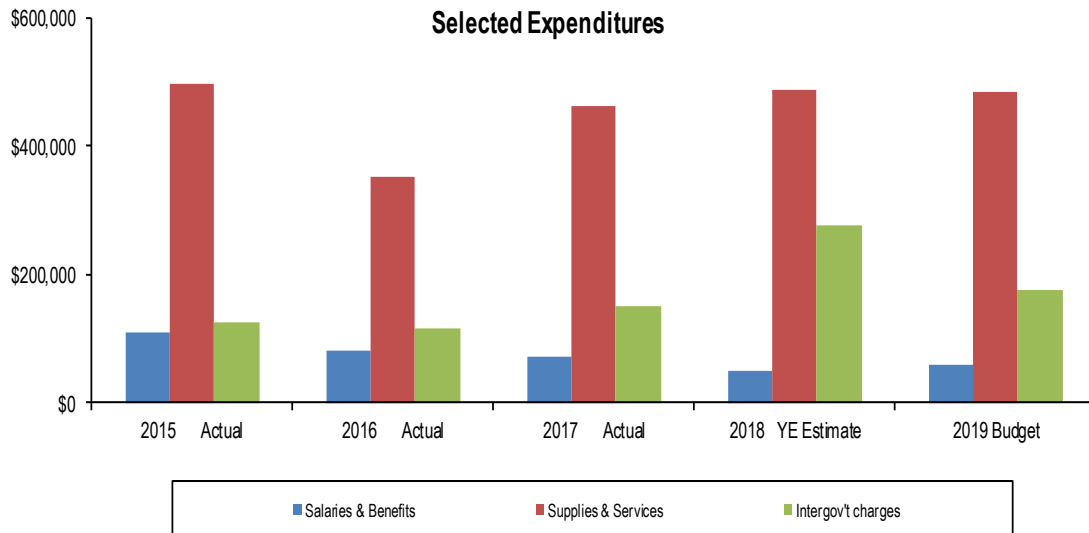
Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	109,590	80,703	73,620	51,209	60,639
Supplies	8,285	6,655	13,144	17,873	18,388
Services	488,615	344,148	450,079	468,104	464,961
Intergov't charges	124,224	115,419	149,328	275,862	176,112
Transfers	2,455,000	2,924,004	5,186,051	4,762,277	3,354,498
Total	\$ 3,185,714	\$ 3,470,929	\$ 5,872,222	\$ 5,575,325	\$ 4,074,598

2019 Budget



Selected Expenditures



LEGISLATIVE DESCRIPTION OF FUNCTION

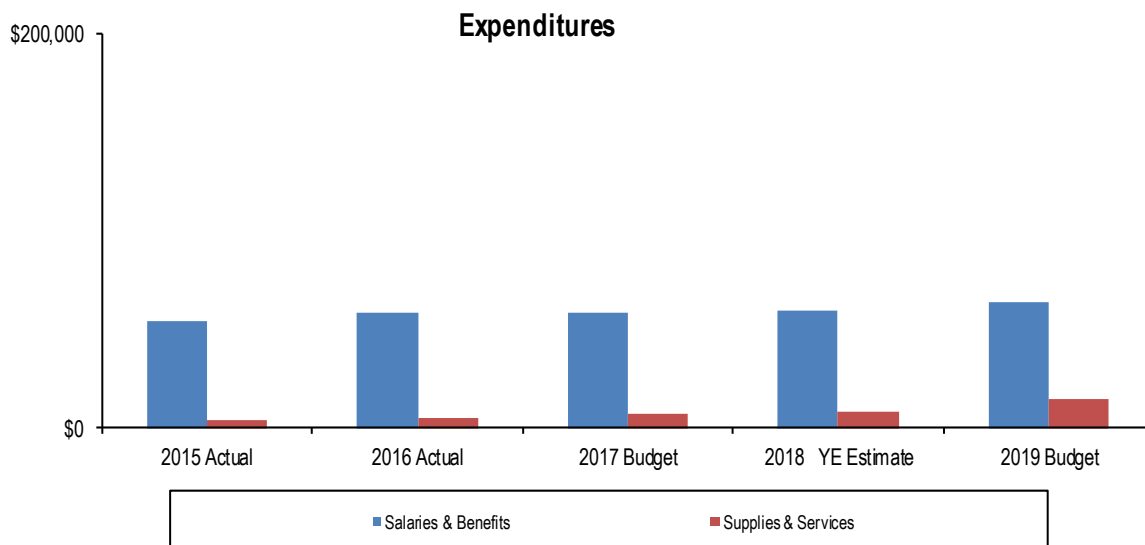
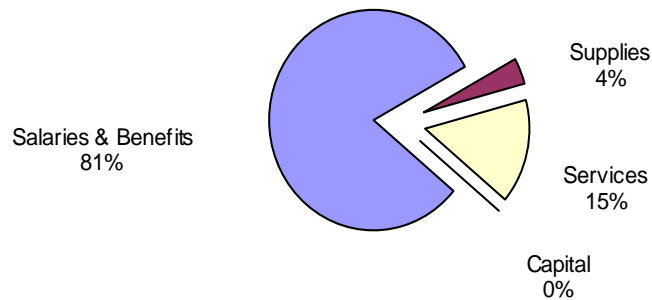
The Legislative Department accounts for the activities of the City Council. These activities include:

1. Sets the overall policy for the city.
2. Approves the city budget.
3. Organizes and regulates the internal affairs of the City Council.
4. Fixes compensation of city employees and establishes civil service/merit systems and retirement systems.
5. Adopts ordinances relating to the good government of the city.
6. Exercises powers of eminent domain, borrowing, taxation, the grant of franchises, and other duties.
7. Performs the duties and responsibilities prescribed under Title 35A RCW and adopts long-range goals and objectives within a funding mechanism ensuring efficient and effective government.

Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Salaries	\$ 50,400	\$ 54,600	\$ 53,950	\$ 54,600	\$ 58,800
Benefits	3,898	4,222	4,169	4,300	4,544
Supplies	352	198	2,191	1,348	3,000
Services	3,916	4,707	4,475	7,353	12,000
Total expenditures	\$ 58,566	\$ 63,727	\$ 64,785	\$ 67,601	\$ 78,344

2019 Budget



JUDICIAL – MUNICIPAL COURT
DESCRIPTION OF FUNCTION

Gig Harbor Municipal Court is committed to high quality service and strives to conduct business in a manner that balances effectiveness, efficiency, and productivity, and instills public trust and confidence by efficiently utilizing all court resources.

1. **Customer Service.** Provide access to justice and service to the public, attorneys, litigants, victims, law enforcement, etc. Process public records requests in accordance with court rules. Process and file all legal documents, pleadings, and evidence timely and in accordance to court rules. Assist customers with procedural questions both at the counter and via telephone.
2. **File Criminal and Infraction Citations.** File both paper and electronic criminal citations and civil infractions received from law enforcement and/or the prosecuting attorney within 48 hours. Compile case filing documentation including, but not limited to, arraignment hearing dates, accounts receivable information, victim information, and counsel information.
3. **Jury Management.** Obtain and manage master jury pool data from Superior Court. Summon jury pool three weeks prior to scheduled jury trial. Screen individual juror requests for excuse from service with timely confirmation by phone.
4. **Create and Maintain Case Files.** Create case files that are well marked, labeled, and organized according to set procedures. Close case files and follow archiving and retention rules. Aggressively manage case flow to ensure timely prosecution/resolution of cases, give prompt attention to infraction case flow for timely processing to the Department of Licensing, and track outstanding monies with the use of collections where warranted.
5. **Courtroom Bailiff.** Serve as bailiff and clerk by recording proceedings through data entry, written minute entries, and audio recording. Maintain court records regarding new hearing date, reasons for continuance, objections of counsel, release conditions, orders and dispositions. Operate audio system and troubleshoot malfunctions.
6. **Case Management.** Process warrants and probation compliance reports daily. Monitor and identify non-compliance issues such as law violations and treatment attendance, and delinquent legal financial obligations. Screen and process applications for Interstate Compact Transfer.
7. **Manage Trust Account Funds.** Perform monthly reconciliation of trust account through use of bail/bond summary reports. Monthly review of bail pending summary to confirm bail is posted and to ensure bail is returned properly and timely.

8. **Manage Payment Plans and Collections Accounts.** Weekly review court scheduled time-payment accounts for compliance as well as cases eligible for collections.
9. **Financial Reconciliations.** Perform daily reconciliation of receipted court payments received in person, by mail, and by credit card with city finance department. Reconcile court checking account monthly.
10. **Monthly Financial Reports.** Prepare and submit to the city finance department all monthly court financial reports for in-house audit review.
11. **Domestic Violence Kiosk.** Assist individuals at the domestic violence kiosk who are in need of a temporary protection order. This assistance should not extend beyond providing general information and help with the computer.
12. **Administer Community Service Program.** Direct eligible defendants to the Building & Maintenance Department for community service on the campus of the Gig Harbor Civic Center. These qualified defendants will perform minimal labor tasks including, but not limited to, sweeping, pulling weeds, general garden maintenance, police car washing, vacuuming, dusting, and recycling and garbage service. The program will continue to be supervised by the Building Maintenance Supervisor and Police Department under strict guidelines.
13. **Maintain Court Webpage.** Maintain the court's webpage on the city website on a regular basis to provide additional access to justice and up-to-date information about court officers, court procedures, forms, legislative updates, domestic violence, collections, inmates, and public records.

JUDICIAL – MUNICIPAL COURT
NARRATIVE OF GOALS 2019 – 2024

1. **Technology Improvement.** Use up-to-date technology to achieve greater efficiency and quality in an integrated way to effectively manage court business, inform and educate the public, provide additional access to justice, and improve public trust and confidence.
2. **Joint Service Programs.** Promote and implement joint service programs with the other local courts and Peninsula School District to better assist the citizens of Gig Harbor. Collaborate with other courts to improve access to justice and utilize shared resources and common goals. Continue the emergency and disaster COOP agreement with surrounding courts.
3. **Continue Community Outreach Program.** Continue to work with local schools to provide a working knowledge of the judicial system as presented through classroom visits, and mock trial projects. Continue to utilize student volunteers and interns with local high schools and colleges. Increase public awareness of the court by speaking at local engagements.
4. **Improve Customer Service.** Provide more interactive services via the internet. Translate court documents, forms, and orders into Spanish and Russian.
5. **Maintain Court Records.** Maintain all court records in an efficient manner and provide accessibility to the public. Continue to scan post-conviction court records for electronic records retention and destroy paper version of closed court files, administrative records, and financial records, thereby reducing the need for paper storage.

JUDICIAL – MUNICIPAL COURT
NARRATIVE OF OBJECTIVES 2019

1. **Staff Adjustment.** Add a new Court Clerk permanent part time (.6 FTE) position to assist with daily operations of the court. The court is struggling to keep up with day-to-day tasks, manage the growing caseload, and comply with mandated legislative reporting requirements for DUI convictions, ignition interlock devices, firearm restrictions, and protection orders. **Wages – \$29,984, Benefits - \$23,199, Total - \$53,183.**

**COURT
CAPITAL OUTLAY 2019**

1. **Replace Computer.** Replace one failing laptop (courtroom). **\$2,000.**

Total capital outlay is \$2,000

CITY OF GIG HARBOR

STAFF ADJUSTMENT REQUEST FORM

A Staff Adjustment Request form should be completed and submitted for any budget requests for Staff Adjustments. Staff Adjustment Requests should be prioritized by each position with no two requests having the same priority number.

Position Title:	Department:	Fund:
Court Clerk .6 FTE	Municipal Court	General
Salary Range From:	Salary Range To:	Change Date:
\$ 2,313	\$ 2,891	January 1, 2019
Department Contact:		Stacy Colberg
Request to Add a Position		Priority: 1

Description of Request:

There is a need to add a new Court Clerk permanent part time position (.6 FTE) to assist with daily operations of the court, due to increased caseload over the past five years and increase in police officers in 2017 and 2018. Since 2012, the total caseload has increased 62% from 1,387 to 2,252. Over the same time period the DUI filings have nearly doubled from 49 to 109, and total criminal filings have increased 107%. As more officers are added to the force the case filings will increase accordingly. The court is struggling to keep up with day-to-day tasks and comply with unfunded legislative mandated reporting requirements for DUI convictions, ignition interlock devices, firearm restrictions, and protection orders requiring court staff to process certain criminal cases in a shorter amount of time. Revenue has increased 24% from \$306,240 in 2012 to \$380,352 in 2017. No new Court Clerk positions have been added since 2004.

Advantage of Approval / Implication of Denial:

The new position will not only allow the court to meet reporting deadlines and mandates, but also reorganize and realign other work tasks that the court struggles to complete such as scanning and archiving, public records requests, filing, telephones, coverage for sick leave and/or vacations, .pdf form conversions, website maintenance, and assist the in-court clerk on court days. If the position is denied, the tasks may be assigned to interns or temps but productivity and efficiency is lost. There is significant investment of time, personnel, and training involved with the court's Judicial Information System and procedures. The more temporary employees you hire, the more new people you will have to train, taking the Court Administrator away from normal work duties.

Alternatives (Delaying Funding / Partial Funding):

Use temp agency for staffing needs as funds are available or until funds are exhausted to eliminate cost of benefits.

	2019 Annual Costs
Wages	\$ 29,984.00
Benefits	\$ 23,199.00
Total	\$ 53,183.00

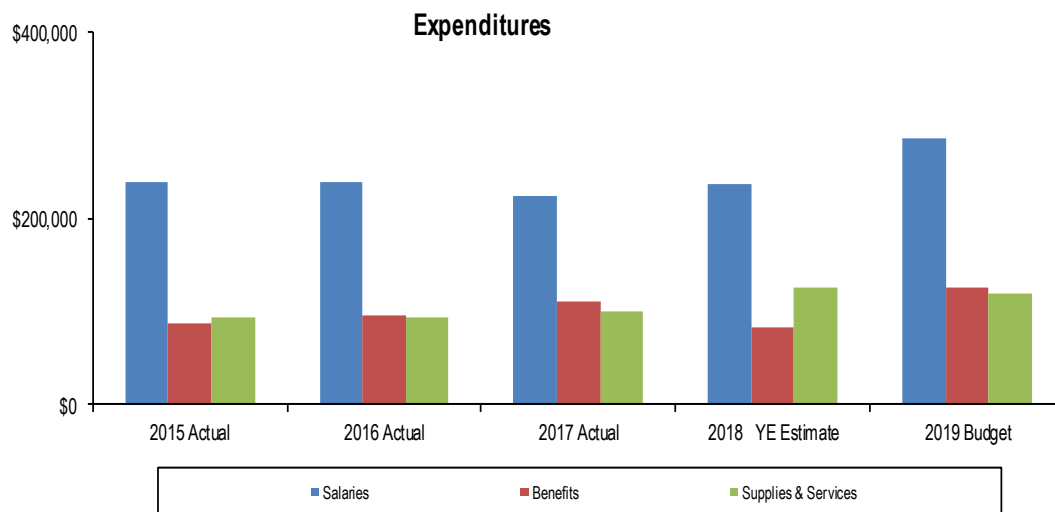
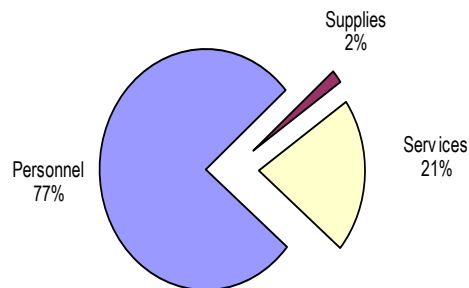
Funding Source Description:

General Fund.

Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Salaries	\$ 239,778	\$ 238,482	\$ 224,536	\$ 237,884	\$ 287,000
Benefits	86,814	96,917	110,085	83,548	126,900
Supplies	7,913	6,279	7,558	5,788	9,500
Services	85,272	87,412	92,661	120,773	111,000
Total expenditures	\$ 419,777	\$ 429,090	\$ 434,840	\$ 447,993	\$ 534,400

2019 Budget



ADMINISTRATION

DESCRIPTION OF FUNCTION

Administration

The City Administrator is responsible to the Mayor for implementing city policies, statutes, and goals through the directing the daily operations and capital projects of the City. The City Administrator also assists the Mayor and Council in developing policies and legislation. Intergovernmental relations, economic development, community information (neighborhood meetings, web page, informational publications, etc.), human resources, and general research and analysis are also part of the City Administrator's office.

City Clerk's Office

Support of City Council, the public and internal customers. The City Clerk's office is dedicated to the needs of our public and internal customers by providing them with quality services in a timely, positive, professional, and cooperative manner. Responsibilities of the City Clerk and Open Government Administrator / Assistant City Clerk include: management of the city's official records, public records requests and disclosure, City Council support including agenda development, packets and preparation of official minutes, public noticing, risk and claims management, legal noticing, compliance with public records retention, recording of legal documents, boards and committees' memberships, and business licensing. In addition, the Open Government Administrator / Assistant City Clerk takes the lead on the development, implementation, and management of various programs and policies regarding the Open Government Initiative. This classification is distinguished by the degree and level of contact with the vendor, staff, the public, elected officials, and community leaders.

Human Resources

Human Resources is committed to making the City of Gig Harbor an employer of choice by creating and maintaining an inclusive work environment where all employees are engaged, learning and growing, which will attract and retain the most talented diverse workgroups to serve the residents of Gig Harbor. As a strategic partner, Human Resources will support the changing needs of the City and model exceptional public service, stewardship, integrity, innovation and a commitment to employees and residents. Responsibilities include: ensuring compliance with all federal, state and local laws and regulations, equal employment opportunity compliance, policy development, plan and implement management objectives to achieve business goals, strategic planning, negotiate and administer collective bargaining agreements, provides consultation to resolve formal and informal complaints and/or disciplinary matters, job classification and compensation, recruitment and selection, pre-employment testing and background checks, wage/ salary/benefit administration, onboarding, health and safety, OSHA, management training and development, labor relations, employee relations, performance management, retention and separation, verification of employment, FMLA, ADA, workers compensation, unemployment and all associated mandated reporting and

documentation. Human Resources also manages the following required programs: DOT drug and alcohol testing, Commute Trip Reduction, Employee Wellness, Title VI, RMSA-U online training, audiology testing, and HR records management. The Human Resources Manager is the Civil Service Secretary/Chief Examiner for the Civil Service Commission.

Information Systems

Information Technology Management. I.T. governs the policies, processes, practices and tools used to align the most appropriate and cost-effective technology infrastructure. Information Services manages, acquires, develops, tests and deploys applications, data, hardware, and software resources. The primary focus is to retain 100% uptime for resource availability.

Information Technology Procurement. Responsible for the procurement of all computer related hardware, software, telephony, licenses and coordination of city-wide system conversions and compatibility with industry standards. Performs the surplus of expired and obsolete computer related equipment and software through strict accounting and environmental principles. Negotiates contracts and multiyear maintenance agreements with vendors such as Centurylink, DELL, Netmotion, SouthSound911, Verizon, and CISCO for City acquisitions, upgrades and services. Maintains proper licensing protocols comprised of Microsoft's and Adobe's volume licensing agreements with Washington State's Department of Enterprise Services.

Telephony Services. I.T. handles all administrative, financial and contractual functions of all telephony products and services for all city departments. I.T. manages contractual costs as related to Telephony Services and G.I.S.

Confidential Data & FBI audits. Works in conjunction with SouthSound911 to utilize the Computer Aided Dispatch (CAD) records/case management system in accordance with CJIS FBI security auditing standards. Acquires and utilizes up-to-date information across associative agencies and works in conjunction with Washington State Patrol for NCIC and WACIC (National and Washington State criminal access records). Security is maintained in a two-fold fashion with separate internet routings to the IGN cloud and two-factor login authentication for Police Department personnel.

Technical Liaison. I.T. performs as technical liaison for all City departments in the coordination of vendor services for networked applications and/or systems and database topologies.

Purchasing. I.T. performs all purchasing functions for all city departments for anything technology or telephony related.

ADMINISTRATION
NARRATIVE OF GOALS 2019 – 2024

Administration

1. Foster citizen involvement and engage the public through neighborhood meetings, surveys, website, informational publications, and other methods of communication.
2. Measure, evaluate and improve customer service and business processes through all departments of the city.
3. Promote economic development by 1) proactively attracting business growth in commercially zoned areas that will create environmentally sound, well-compensated jobs for local residents; 2) supporting existing businesses through quality infrastructure, events, and business friendly regulations that maintain the quality and character of the Harbor; 3) coordinate with and leverage the time and resources of the Gig Harbor Chamber of Commerce, Downtown Waterfront Alliance and other agencies to attract and retain businesses in the city.
4. Research, review, and assess grant opportunities for the city.
5. Maintain quality personnel systems through up-to-date personnel regulations, effective recruitment practices and tools, competitive total compensation, and collaborative labor relations.
6. Ensure employees are given the resources, leadership, and direction they need to do their jobs effectively and efficiently.
7. Facilitate and direct the development of the capital improvement program in order to keep up with growth as well as existing infrastructure needs within the constraints of our capacities.
8. Support downtown businesses in developing a comprehensive downtown traffic and parking strategy.

City Clerk's Office

1. Provide quality support for the Mayor, City Council, City Administrator's office, and public and internal customers.
2. Provide citizens open access to information through the city's website and other web-based hosting services that meets basic open data standards.
3. Ensure timely, comprehensive responses to public records requests.
4. Maintain effective risk and claims management programs.
5. Administer records management program. Streamline social media records capture.
6. Compliance for business licensing, special events permitting, and fireworks stands permitting.

7. Administer facilities use and reservations.
8. Assist with the employee wellness program. Provide backup for the Human Resources Manager.
9. Complete mission critical functions for department.

Human Resources

1. **Customer Service.** Provide exceptional customer service to all residents, employees, elected officials, and stakeholders through positive and effective communication strategies by creating a communication plan and updating all standard outgoing email communication to applicants.
2. **Policies and Procedures.** Complete and implement the personnel regulations and policies update; and develop an information systems policy (use of electronic communications, internet, use of social media, etc.).
3. **Workforce Development.** Collaborate with community and educational partners to develop and enhance individual or group capabilities by gathering data on the City's workforce, performance management, recruitment strategies and develop a citywide internship program to facilitate succession planning for the anticipated 25% of the city workforce retirement eligibility and to address on-going seasonal employee requirements.
4. **Training and Development.** Design and deliver employee training and development; assist departments to identify employee goals that align with City's current and future needs; ensure compliance and track required training.
5. **Wellness.** Expand the existing Employee Wellness Program to increase employee involvement beyond the minimum requirements. Continue to earn the AWC Well City designation annually, which will retain the 2% medical premium reduction earned for our Well City designation.

Information Systems

1. Create and maintain technology policies applicable to current legislation and improvements in technology.
2. Continue to evaluate hardware, software and services, moving the city away from dependency of on-premise hardware or software thereby avoiding obsolescence. Eliminating hardware and implementing SaaS (software as a service), subscription-based platforms. No software or hardware to purchase, install or maintain thereby reducing workload on a small and frequently overburdened I.T. department.
3. Facilitate department-level cloud service vendor upgrades by managing a functional level of operation through attrition of desktop hardware and/or software and the

functional level of drivers, security patches and flash bios. Maintain Microsoft operating system and office application patching to keep current.

4. Increase Mobile applications and soft-phone interface facilitating the ability to work anywhere.
5. Maintain records retention by exporting email data and data files associated with an exiting employee.
6. Maintain a high level of help desk functionality in assistance to users. Maintain a high level of user security from active to inactive and deletion and changing of passwords.
7. Maintain a high level of security as warranted by the FBI and new technology policy adoption.
8. Strive for a goal of 100% uptime for all services.

ADMINISTRATION
NARRATIVE OF OBJECTIVES 2019

Administration

1. **Legal Department.** Study whether to create a legal department to include a City Attorney and Assistant City Attorney to have in house legal services including prosecution of court cases or remain with the current legal model.
2. **Policies and Procedures.** Complete and implement the personnel policies update; develop and/or update other administrative procedures, including a purchasing policy, travel policy, accident prevention policy, and information systems policy (use electronic communications, internet, etc.).
3. **Economic Development.** Support local businesses by engaging the appropriate stake holders and assessing the needs of the various economic and employment centers in the city. Some recommended components of the economic development strategy are as follows:
 - Downtown Waterfront Alliance. Provide limited funding for the Gig Harbor Downtown Waterfront Alliance and its continued activities to promote downtown businesses. **\$25,000 - 2019**
 - Chamber of Commerce. Continue involvement with the Gig Harbor Chamber of Commerce, including City representation on the Chamber Board of Directors and also maintaining the City's membership in the Chamber. **\$550 - 2019**
 - Downtown Traffic and Parking Strategy. Support downtown businesses in developing a downtown traffic and parking strategy. (See Public Works budget detail).
4. **State and Federal Lobbying Efforts.** In accordance with the city, state and federal legislation agendas, carry on state and federal lobbying efforts to advocate for capital project funding as well as legislation that would benefit the city.

Maintain contract with a lobbying firm at the state level. **\$40,000- 2019**

Continue the federal lobbying contract through December 31, 2019. **\$60,000 – 2019**
5. **State and Federal Grants.** Continue to seek, pursue, and apply for state and federal grants, as well as grants from the non-profit and private sectors on a balanced basis according to our capacity to complete such grants.
6. **Capital Improvement Plan.** Implement and further develop the capital improvement plan for streets, parks, and utilities.

7. **Gig Harbor North.** Continue to implement the Harbor Hill development agreement. Work with Olympic Property Group and other property owners to promote and realize more shopping, commercial, recreational, and residential opportunities.
8. **Potential Downtown Development.** Work to respond to and implement any downtown development agreements council approves.

City Clerk's Office

1. **Public Records Requests.** Continue to facilitate the appropriate and timely response to the increasing volume of public records requests in order to be more open, accountable, and responsive to citizens. **January – December.**
2. **Open Government Program.** Continue to implement an open data portal. Open data can facilitate government transparency, accountability, and public participation. **January – December.**
3. **Claims Recovery.** Continue an aggressive approach for reimbursement of costs for damage to city property. **January – December.**
4. **Risk Management.** Continue the Employee Safety Committee as required by the Accident Prevention Policy adopted in 2011. Work with all departments to address concerns and solutions. The goal is to prevent employee and citizen injury and property damage. **January - December.**
5. **Records Program.** Work for continued compliance with document and electronic records retention and ways to facilitate record retrieval through the Records Management Committee. **January – December.**

Human Resources

1. **Personnel Regulations.** Update the 2007 Personnel Regulations (Employee Handbook) with current best practices and maintain yearly updates as legislation and regulations change.
2. **Compensation/Classification Study.** Initiate salary survey of employee wage rates and total compensation package; identify benchmark cities and positions by working with a professional consultant to determine the scope and analysis compensation/classification study process.
3. **Benefits.** Review and evaluate benefit plan options.
4. **Drug and Alcohol Program.** Continue to effectively manage the City's drug and alcohol program, ensuring adherence to Federal Motor Carrier and Department of Transportation regulations and guidelines.
5. **Compliance Training.** Ensure employee compliance by tracking employee mandatory training; attend human resources training to ensure interpretation, compliance and best practices regarding new laws and regulations **January - December.**

6. **AWC Well City Designation.** Retain the City's 2% discount on health benefits premium costs. **January - December.**

Information Systems

1. **Information Technology Policies.** Complete revision and update of all policies pertaining to use of Information Technology. Adjust all policies to latest legislation and technology implementation.
2. **Upgrade Operating Systems.** Complete final replacement of obsolete 32-bit operating systems on our network which will not support box drive (such as the council computer). Migrate PC's to Windows 10 operating system with new purchases.
3. **Phone System.** Migrate to a cloud-based voice-over-ip phone system to increase mobility and soft-phone interface with the ability to work off-site. Eliminate bottleneck of internet access for all points of location using MPLS (multiprotocol label switching).
4. **Records Management.** Office 365 administration allows for export of exiting employee records for records management – exported files are stored in box with unlimited storage at no additional charge.
5. **Password Security.** Forced password changes every 90 days for both police and city personnel in compliance with FBI standards.
6. **Internet Use.** Internet monitoring for acceptable use policy.

ADMINISTRATION
CAPITAL OUTLAY 2019

Information Systems

1. **Internet Monitoring.** Internet Monitoring and filtering with a managed Cisco Meraki appliance \$5,050. (This represents a commitment of \$15,150.00 over 3 years).
2. **New Council Office PC.** New council office pc, the current computer is a 32 machine and will not work with box drive, obsolescence with Office 365 and box usage is impending. \$1,100.

Total Capital Outlay is \$6,150

CITY OF GIG HARBOR

STAFF ADJUSTMENT REQUEST FORM

A Staff Adjustment Request form should be completed and submitted for any budget requests for Staff Adjustments. Staff Adjustment Requests should be prioritized by each position with no two requests having the same priority number.

Position Title:		Department:	Fund:
Human Resources Assistant		Human Resources	General
Salary Range From:	Salary Range To:	Change Date:	January 1, 2019
\$ 4,175	\$ 5,219	Department Contact:	Kameil Borders
Request to Add a Position		Priority:	1

Description of Request:

Human Resources (HR) is requesting a budgeted full-time HR Assistant position. This position has been filled with a temporary employee since April 2, 2018 and was approved for a 5-month assessment period scheduled to end September 2, 2018. HR is also requesting for the temporary position be extended for the remainder of 2018.

Advantage of Approval / Implication of Denial:

If approved, the HR Manager can continue to be solution orientated by developing new policies and procedures, reviewing and updating Personnel Regulations, ensuring compliance with state and federal laws and regulations, benefits and wellness; focus on labor relations which includes contract negotiations and grievances; classification/ compensation, job descriptions, establish effective training for leaders, and effectively document and address employee relations issues; and streamline processes to maximize performance and resources. The City is anticipating a 25% turnover due to retirements within the next 5 years. By funding the HR Assistant position, the HR Manager can also focus on succession planning, by developing a long-term strategy to attract and retain a highly qualified diverse workforce. It will provide the time necessary to plan ahead and determine which positions can be reallocated/redistributed through attrition if needed. The HR Manager can also proactively focus maintaining regulatory compliance to minimize the city's liability.

Alternatives (Delaying Funding / Partial Funding):

If the HR Assistant position is not funded, the HR Manager will be the sole individual providing guidance to departments, filling recruitments, and conducting the day-to-day operations, which will force the city to be reactionary when dealing with personnel issues. Due to time constraints, the quality and timeliness of HR services that departments are currently accustomed to will also suffer because the focus will be on maintaining legal compliance and recruiting vacant positions.

	2019 Annual Costs
Wages	\$ 54,507.00
Benefits	\$ 32,832.00
Total	\$ 87,339.00

Funding Source Description:

CITY OF GIG HARBOR																			
EXPENDITURE REQUEST FORM																			
<p>A New Program Request form should be completed and submitted for any budget requests for New Programs (those other than being provided by current level of service). Any Capital Request cost associated with this New Program Request must be accounted for on this same request. New Program Requests should be prioritized by each department and/or fund, with no two requests having the same priority number.</p>																			
Title:		Department:	Fund:																
Legal Department		Administration	General																
2019 Cost:		Priority:	Choose from dropdown list																
\$ 420,572.00		Department Contact:																	
Does this respond to a Council Goal:		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>																
Description of Request:																			
<p>The Mayor proposes creating a Legal Department and bringing the City Attorney and Prosecutor functions in-house as a City employees. This request represents the Legal Department. Separate request for City Attorney and Prosecutor will be submitted. The public defender function will remain a contract service through Pierce County</p>																			
Advantage of Approval / Implication of Denial:																			
<p>An in-house Legal Department consisting of a City Attorney and a Prosecutor will be less expensive than contracting out these services. More "lawyer hours" will be available because two City employees will work 2080 hours per year each. Annual contract legal hours the City has received is 1,200. An in-house Legal Department provides better opportunities for the Mayor, Council, and staff to discuss legal issues in person as well as having an attorney who is part of the staff and participating in discussions of issues affecting the City.</p>																			
Alternatives (Delaying Funding / Partial Funding):																			
<p>Keeping these services as contracted services will result in the City paying more for legal services. Not having a staff attorney available in person for consultations and as member of the leadership team will result in a less efficient legal review process</p>																			
<table border="1" style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <tr> <td colspan="2" style="text-align: center;">2019 Associated Costs</td> </tr> <tr> <td style="text-align: right;">Wages</td> <td style="text-align: right;">\$ 227,100.00</td> </tr> <tr> <td style="text-align: right;">Benefits</td> <td style="text-align: right;">\$ 113,472.00</td> </tr> <tr> <td style="text-align: right;">Supplies</td> <td style="text-align: right;">\$ 30,000.00</td> </tr> <tr> <td style="text-align: right;">Services</td> <td style="text-align: right;">\$ 50,000.00</td> </tr> <tr> <td style="text-align: right;">Other</td> <td></td> </tr> <tr> <td style="text-align: right;">Capital</td> <td></td> </tr> <tr> <td style="text-align: right;">Total</td> <td style="text-align: right;">\$ 420,572.00</td> </tr> </table>				2019 Associated Costs		Wages	\$ 227,100.00	Benefits	\$ 113,472.00	Supplies	\$ 30,000.00	Services	\$ 50,000.00	Other		Capital		Total	\$ 420,572.00
2019 Associated Costs																			
Wages	\$ 227,100.00																		
Benefits	\$ 113,472.00																		
Supplies	\$ 30,000.00																		
Services	\$ 50,000.00																		
Other																			
Capital																			
Total	\$ 420,572.00																		
One Time Expense: <input type="checkbox"/>		Continuous Funding Request: <input checked="" type="checkbox"/>																	
Funding Source Description:																			
<p>Funding for this new department and staff will come from funds proposed for the Legal Services budget. The currently proposed budget is \$745,628. This funding covers the contract city attorney and prosecutor, the HR attorney, and the public defender. The total cost of the proposed Legal Department is \$420,572. After deducting the cost of the public defender (\$100,000), the savings are \$225,056.</p>																			

CITY OF GIG HARBOR

STAFF ADJUSTMENT REQUEST FORM

A Staff Adjustment Request form should be completed and submitted for any budget requests for Staff Adjustments. Staff Adjustment Requests should be prioritized by each position with no two requests having the same priority number.

Position Title:		Department:	Fund:
City Attorney		Legal	General
Salary Range From:	Salary Range To:	Change Date:	
\$ 9,151	\$ 11,439	Department Contact:	
Request to Add a Position		Priority:	1

Description of Request:

The Mayor proposes creating a Legal Department and bringing the City Attorney and Prosecutor functions in-house as a City employees. This request represents the City Attorney position. A separate request for prosecutor will be submitted. The public defender function will remain a contract service through Pierce County

Advantage of Approval / Implication of Denial:

An in-house Legal Department consisting of a City Attorney and a Prosecutor will be less expensive than contracting out these services. More "lawyer hours" will be available because two City employees will work 2080 hours per year each. Annual contract legal hours the City has received is 1,200. An in-house Legal Department provides better opportunities for the Mayor, Council, and staff to discuss legal issues in person as well as having an attorney who is part of the staff and participating in discussions of issues affecting the City.

Alternatives (Delaying Funding / Partial Funding):

Keeping these services as contracted services will result in the City paying more for legal services. Not having a staff attorney available in person for consultations and as a member of the leadership team will result in a less efficient legal review process

	2019 Annual Costs
Wages	\$ 123,539.00
Benefits	\$ 56,252.00
Total	\$ 179,791.00

Funding Source Description:

Funding for this new department and staff will come from funds proposed for the Legal Services budget. The currently proposed budget is \$745,628. This funding covers the contract city attorney and prosecutor, the HR attorney, and the public defender. The total cost of the proposed Legal Department is \$420,572. After deducting the cost of the public defender (\$100,000), the savings are \$225,056.

CITY OF GIG HARBOR

STAFF ADJUSTMENT REQUEST FORM

A Staff Adjustment Request form should be completed and submitted for any budget requests for Staff Adjustments. Staff Adjustment Requests should be prioritized by each position with no two requests having the same priority number.

Position Title:		Department:	Fund:
Assistant City Attorney		Legal	General
Salary Range From:	Salary Range To:	Change Date:	
\$ 6,459	\$ 8,394	Department Contact:	
Request to Add a Position		Priority:	2

Description of Request:

The Mayor proposes creating a Legal Department and bringing the City Attorney and Prosecutor functions in-house as a City employees. This request represents the Assistant City Attorney/Prosecutor position. The public defender function will remain a contract service through Pierce County

Advantage of Approval / Implication of Denial:

An in-house Legal Department consisting of a City Attorney and a Prosecutor will be less expensive than contracting out these services. More "lawyer hours" will be available because two City employees will work 2080 hours per year each. Annual contract legal hours the City has received is 1,200. An in-house Legal Department provides better opportunities for the Mayor, Council, and staff to discuss legal issues in person as well as having an attorney who is part of the staff and participating in discussions of issues affecting the City.

Alternatives (Delaying Funding / Partial Funding):

Keeping these services as contracted services will result in the City paying more for legal services. Not having a staff attorney available in person for consultations and as member of the leadership team will result in a less efficient legal review process

	2019 Annual Costs
Wages	\$ 87,197.00
Benefits	\$ 48,335.00
Total	\$ 135,532.00

Funding Source Description:

Funding for this new department and staff will come from funds the proposed for the Legal Services budget. The currently proposed budget is \$745,628. This funding covers the contract city attorney and prosecutor, the HR attorney, and the public defender. The total cost of the proposed Legal Department is \$420,572. After deducting the cost of the public defender (\$100,000), the savings are \$225,056.

CITY OF GIG HARBOR													
STAFF ADJUSTMENT REQUEST FORM - PW													
A Staff Adjustment Request form should be completed and submitted for any budget requests for Staff Adjustments. Staff Adjustment Requests should be prioritized by each position with no two requests having the same priority number.													
Position Title:		Department:	Fund:										
Utility Billing Clerk - Reception(1.0 FTE)		Admin - Public Works-Operations	001, 401, 402, and 411										
Salary Range From:	Salary Range To:	Change Date:											
\$ 2,224	\$ 2,779	January 1, 2019											
Department Contact:		Jeff Langhelm											
Request to Add a Position		Priority:	1										
Description of Request:													
<p>Utility billing at the City of Gig Harbor is currently completed by one full time Utility Bill Technician. The Utility Billing Technician's work generally includes producing bi-monthly billing cycles, providing customer service assistance by phone, email, and for walk-in customers, creating new accounts, closing existing accounts, tracking meters, coordinating meter reading, issuing final shut-off notices, and providing leak detection assistance.</p> <p>An Operations Public Works Assistant provides backup coverage for the Utility Billing Technician and has also taken over the management of backflow prevention installation and testing program. And as necessary, the Operations Public Works Assistant reprioritizes her work schedule to further support the Utility Billing Technician.</p> <p>With the number of City utility accounts growing by almost 50% since 2008, the City's Utility Billing Technician is not able to sustain the daily work load associated with current and increasing utility accounts. Additionally, this utility growth rate is higher than City population growth because the City performs utility billing for City utility accounts located in the UGA.</p> <p>The primary initial responsibilities of the proposed Utility Billing Clerk position would be providing customer service assistance by phone, email, and for walk-in customers and assistance with noticing of customers. This new position would also replace the backup coverage currently provided by the Operations Public Works Assistant.</p>													
Advantage of Approval / Implication of Denial:													
Public works is attempting to fill this position with a part-time employee to minimize the initial cost to the three utility funds. The number of City utility accounts have increased by approximately 45% over the past 10 years. By denying this proposed staff adjustment City utility customers will received significantly reduced customer service both now and as the years progress. Additionally, customers will likely receive more errors on utility bills due to less time by staff to confirm utility readings.													
Alternatives (Delaying Funding / Partial Funding):													
Public Works partially provides support to the current Utility Billing Technician through redirecting tasks from one Public Works Assistant. Without the creation of this part-time position Public Works will need to redirect a majority of the Public Works Assistant's time to perform the tasks of the Utility Billing Clerk. If this occurs, and since the Public Works Assistant position is a higher paid position, the City would be paying more to complete the tasks of the Utility Billing Clerk while losing the productivity of the Public Works Assistant.													
<table border="1" style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center; padding: 5px;">2019 Annual Costs</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">Wages</td> <td style="text-align: right; padding: 5px;">\$ 14,513.00</td> </tr> <tr> <td style="padding: 5px;">Benefits</td> <td style="text-align: right; padding: 5px;">\$ 13,281.00</td> </tr> <tr> <td style="padding: 5px;">Other</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="text-align: right; padding: 5px;">Total</td> <td style="text-align: right; padding: 5px;">\$ 27,794.00</td> </tr> </tbody> </table>				2019 Annual Costs		Wages	\$ 14,513.00	Benefits	\$ 13,281.00	Other		Total	\$ 27,794.00
2019 Annual Costs													
Wages	\$ 14,513.00												
Benefits	\$ 13,281.00												
Other													
Total	\$ 27,794.00												
			Contract Position: <input type="checkbox"/>										
Funding Source Description:													

FINANCE

DESCRIPTION OF FUNCTION

Finance

The Finance Department is responsible for managing the city's financial resources. This involves keeping the books and managing taxpayers' money from the time it is collected until it is spent on programs funded by the City Council. The Finance Department provides the following services for city government:

1. **Cash management.** Receive and deposit monies into the city's bank accounts; record and reconcile all receipts to bank statements; contract with financial institutions for banking services; ensure the unimpeded inflow of monies to the city's bank accounts and the timely outflow of monies to vendors, claimants and employees; and effectively invest the city's short-term cash reserves.
2. **Investments.** Invest the city's temporary cash reserves in accordance with the city's investment policy, which provides emphasis on safety and liquidity. Maintain the official records of ownership and accounting for investment transactions.
3. **Debt management.** Provide financing recommendations and services to the City Council, which is responsible for the authorization and issuance of all debt. Administer the city's debt program by providing financing for capital projects through the sale of bonds or arranging other long-term financing; refinancing existing bonds when sufficient debt service savings can be achieved; and monitor city compliance with federal tax code and bond covenants.
4. **Budget preparation and administration.** Prepare the annual budget and provide budgetary reports to the City Council, City Administrator and departments throughout the year.
5. **Accounting services.** Prepare the city's annual financial reports and manage the city's financial accounting system; provide departmental accounting support; process accounts payable and audit vouchers; prepare utility billing invoices; monitor grant expenditures and prepare grant reimbursement requests, local improvement district accounting; monitor city revenue sources; fixed asset accounting; and maintain the city's internal control systems.

FINANCE

NARRATIVE OF GOALS 2019 - 2024

Finance

1. **Explore Automated/Electronic Processing Alternatives.** Advances in technology and vendor offerings continuously present new opportunities for financial transaction processing and records storage. Research available options to boost efficiencies in the following areas:
 - Cash Receipting – investigate systems for electronic check-processing services, allowing for same day deposits, as well as the latest in online customer bill pay options.
 - Accounts Payable – utilize electronic ACH payments wherever practical; explore options for scanned financial records storage.

Implement systems which produce increased efficiencies, relieve workloads, provide more accessibility, and reduce costs. **2019-2024.**
2. **Coordinate the budget and the capital improvement plan.** Combining a realistic capital improvement plan with a long-range forecast of revenue and expenditure trends will change the budget process from an annual snapshot to a continually evolving projection. It will also facilitate the dedication of current resources to future projects through the accumulation of reserves or the dedication of future resources to current projects through the issuance of debt. **2019-2014.**
3. **Indirect Cost Allocation.** Review and possibly refine the city's indirect cost allocation plan in order to equitably distribute costs among benefitted departments. **2019-2024.**

FINANCE

NARRATIVE OF OBJECTIVES 2019

1. **Cash Receipting.** Investigate systems for electronic check-processing services, allowing for same day deposits; also, continue to be alert for enhancements to online customer bill pay options. **May - 2019.**
2. **Capital Asset Documentation.** Update the city's capital asset documentation files. Review, evaluate and consolidate backup materials; eliminate redundancy while maintaining legal requirements. **2019.**
3. **Banking Services – Request for Proposal.** Solicit proposals for primary banking services from qualified banks. Review proposals based on pre-determined criteria. Award contract and implement services. **2019.**
4. **Project Accounting Worksheets.** Develop worksheets to track project funding and expenditures across fiscal years. The goal is to have a worksheet for all city projects and to update monthly. **February – 2019.**

FINANCE

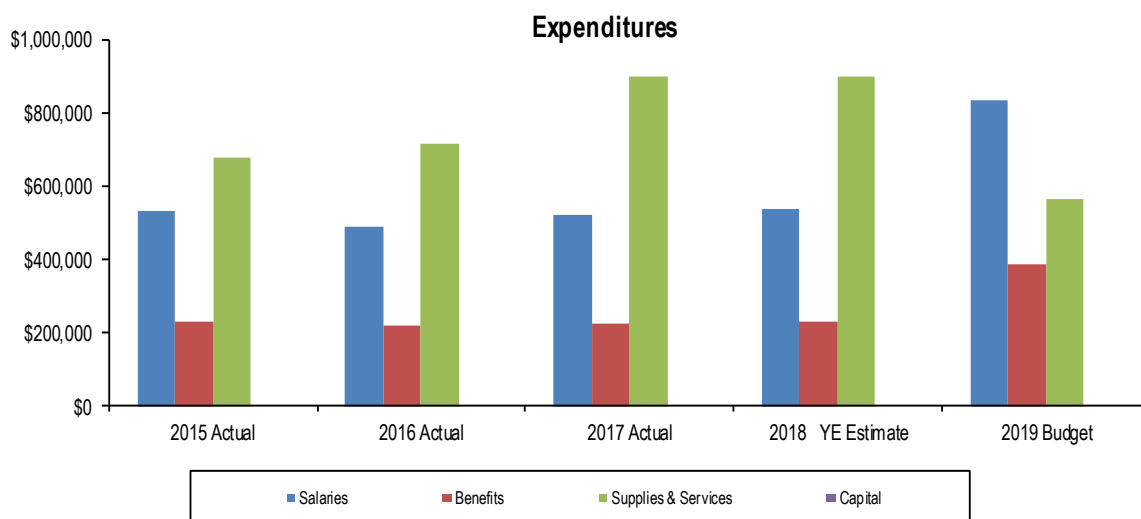
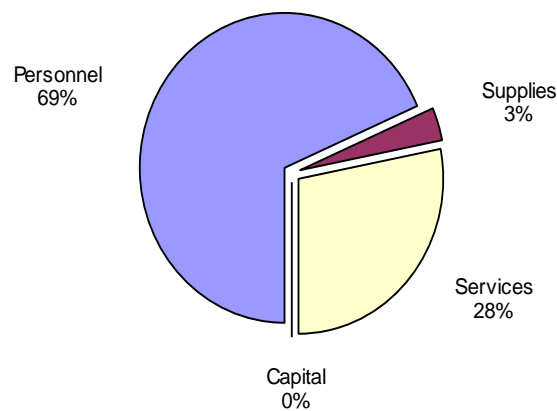
CAPITAL OUTLAY 2019

Total Capital Outlay is \$0.

Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Salaries	\$ 530,241	\$ 489,545	\$ 518,793	\$ 537,585	\$ 832,800
Benefits	228,726	219,476	222,045	230,184	384,900
Supplies	27,479	26,231	36,968	29,960	61,158
Services	648,431	686,987	861,509	867,042	499,869
Capital expenditures	-	-	-	-	-
Total expenditures	\$ 1,434,877	\$ 1,422,239	\$ 1,639,315	\$ 1,664,771	\$ 1,778,727

2019 Budget



POLICE

DESCRIPTION OF FUNCTION

Our mission: To continually provide exceptional law enforcement services to our citizens, always looking for ways to improve our performance through strong partnerships with our community.

ADMINISTRATION

The Administration Section is headed by the **Chief of Police** who is assisted by a **Lieutenant**. This unit is tasked with providing leadership, direction and support to the agency. This includes short and long-range planning and forecasting, policy development and enforcement, resource acquisition, responsible budget formulation and administration, operational planning and employee development through ongoing training and performance reviews. Additionally, two **Police Services Specialists** provide support services which include information management, retention and dissemination and the provision of direct citizen services such as general inquiries, fingerprinting, background checks, and the issuance of concealed pistol licenses. Property room operations fall within the scope of the Administration Section. A **Community Services Officer** (CSO) is assigned to the police department two days per week and is responsible for property room functions and public outreach.

OPERATIONS

The Operations Section is responsible for the majority of direct police services throughout the city. This includes uniformed patrol, traffic enforcement, drug investigations, and other community support duties. The patrol function provides police visibility, responds to calls for service, interacts collaboratively with citizens, and performs the initial investigation of crimes. As staffing allows, **bicycle** and **motorcycle patrols** are utilized to add another dimension to the patrol function serving as an excellent public interaction tool when assigned to business areas or other locations with high volumes of pedestrian traffic and specific traffic problems. Three **sergeants** provide field supervision of the operations personnel while also performing patrol and administrative duties.

INVESTIGATIONS

The Investigations Section is currently staffed by two **detectives** who report to the Lieutenant. This section is responsible for follow-up of cases beyond the normal responses by the patrol personnel.

MARINE SERVICES UNIT

The city is responsible for ensuring the safety of navigable waters within our jurisdiction and to provide boating safety education. The Marine Services Unit (MSU) is an additional

police service provided through scheduled patrols during periods of high boating traffic and on an as-needed basis to achieve this mission. The MSU is utilized primarily throughout the summer months but is available at other times for emergency response or special events. Per a Memorandum of Understanding (MOU) with the Washington State Parks and Recreation Department, the MSU is also involved in boating safety education throughout the year. Statewide vessel registration fees which are distributed to the city via Pierce County and boating safety grants as available help cover a portion of MSU costs. Additionally, a Federal Assistance Grant is usually available to supplement operational costs. The MSU is also tasked with the enforcement of derelict vessel laws in all of Gig Harbor. Ninety percent of the potential costs incurred in the removal of abandoned or derelict vessels is reimbursed from the State Derelict Vessel Fund via the Department of Natural Resources. The remaining ten percent of costs can come in the form of in-kind services.

VOLUNTEER PROGRAMS

The police department is supported by two volunteer programs. The **Citizens Offering Police Support** (C.O.P.S.) program includes 11 adult citizen volunteers who act as a force multiplier by performing duties otherwise accomplished by paid personnel, such as taking evidence to various state crime labs, tracking false burglary alarm reports, organizing community activities, and performing disabled parking enforcement. Our **Police Explorers** are teen volunteers who receive training in police work in exchange for supporting the department with various community activities, such as National Night Out, Maritime Gig parade, and several overnight security details.

POLICE NARRATIVE OF GOALS 2019-2024

Our Vision: The Gig Harbor Police Department will proudly be known by our citizens to be a skilled, effective, strong, compassionate and progressive police department while maintaining a personal connection and partnership with the community we protect and serve.

1. **Implement new and continually update departmental policies.** Complete the implementation of a comprehensive policy manual, train personnel to standards and seek to maintain currency of policies and procedures. Several updated policies have been implemented and the remainder of the manual is near completion. **2019 – Ongoing.**
2. **Evaluate staffing/Improve supervision.** During the previous budget cycle, the police department recovered one position that had been unfilled since 2008 due to budget considerations and has added three additional patrol positions. The city population and retail core has grown tremendously in the past several years and the police department is catching up with that expansion. Calls for service are up significantly, with projections for both population and police responses indicating continued growth. Although no new positions are being requested during the 2019 budget cycle, we will look to reclassify one police officer position to a sergeant in order to eliminate gaps in supervisory coverage – a concern of both liability and efficiency.
3. **Continue to upgrade technology to improve police efficiency and accountability.** Police Officers rely on in-car mobile data computers (MDCs) to receive dispatched information, perform records inquiries, and communicate with surrounding officers. Between 2015-18, most of our (MDC) installed in the cars were replaced due to an FBI software requirement. The existing laptop style MDCs were replaced with tablet computers which, resulted in greater flexibility and reduced cost for subsequent MDCs. We require only one additional MDC to be used as a spare for when an officer's MDC needs service or repair.

Additionally, in June 2016, the police department implemented a pilot program to test the use of body-worn cameras (BWC). BWCs offer an additional layer of officer and citizen accountability in complaint or use of force situations. By necessity, the BWCs function through a dashboard-mounted camera system and digital video recorder. In the 2017-18 biannual budget period, we added 13 BWC units. To complete the outfitting of our patrol division, we will need to purchase three additional systems. Our electronic inventory control for the Property Room has become obsolete and will no longer be supported by the vendor. This software was last purchased in 2009. A new version of evidence and property inventory tracking is available and offers the benefit of having officers perform more of the property booking functions. This will free up the Community Service Officer more to have him concentrate on management and disposal of the property inventory. A new desktop computer, basic printer, and label maker will be required to support the new system. **2019.**

POLICE
NARRATIVE OF OBJECTIVES 2019

Mayor & Department Supported Objectives

1. **Reclassify one Police Officer position to Sergeant.** To provide complete field supervision and provide some administrative relief, a fourth sergeant position is required. Currently, there are three day shifts per week that do not provide for sergeant coverage and some of this work falls to the Lieutenant and Chief positions. The lack of comprehensive direct supervisory coverage was identified in a 2012 organizational assessment. **Wages - \$4,104, Benefits - \$1,442, Total \$5,546 – 2019**
2. **Increase training budget per officer.** Certain state mandates require a specific amount of in-service training hours per officer/year (24). Our risk managers also require specific recurring training and there are other training opportunities that arise that provide direct benefit to the department (i.e. Instructor level courses to eliminate the need to send officers outside the department for training). The cost of training courses has increased dramatically in the past several years. To meet the statutory requirements and address the rising cost of some courses offered, an adjustment of the current training budget from \$20,500 per year (admin and patrol) to \$28,500 (based on \$1500/officer/year) and travel costs (patrol only) from \$4500 to \$6650. **\$8,000 – 2019**
3. **Improve emergency response capabilities through partnerships with other agencies.** Sharing resources and expertise with other public safety agencies will remain a priority, including upgrading and adding additional emergency response equipment. Opportunities to participate in regional training and Incident Management consortiums will ensure that our staff will receive the most cost effective and up-to-date training and exposure to emergency response. We have been successful in obtaining grant-funded equipment for the partial outfitting of our Mobile Emergency Command Center (MECC) and are entering into a partnership with Pierce County Fire District 5 to make this unit fully operational. Additional equipment (radio) is needed. **\$7,500 - 2019.**
4. **Seek grants and other outside funding options.** Research and secure funding sources outside normal city revenue sources to support police department initiatives. We regularly receive grant reimbursement money from sources such as the Washington State Traffic Safety Commission, Department of Justice, Washington State Parks, RMSA, Washington Department of Natural Resources and more. This money is returned to the City General Fund. **Ongoing.**
5. **Provide financial support for the community youth programs.** Each year, a portion of Motor Vehicle Excise Tax funds is returned to the city for distribution to local youth programs that assist at-risk youth. Historically, this money is divided between the YMCA and the Boys and Girls Club. **\$4,000 - Ongoing.**

6. **Partnership with Pierce County DEM.** Continue our financial support to Pierce County DEM to ensure we continue our collaborative relationship. Pierce County DEM assists with our Emergency Management Response Plan among other tasks. The cost is based on a fee of \$0.85 per capita. **\$8,121 – 2019.**
7. **KGHP Radio.** Continue our financial contribution to our local KGHP radio station in return for public service announcements and emergency warnings and notifications. **\$3,000 – 2019.**
8. **Fund the provision of specialized services from the Pierce County Sheriff's Department (PCSD).** This special services contract allows the Gig Harbor Police Department unlimited access to the PCSO Special Weapons and Tactics (SWAT), Investigative and Forensic Unit, as well as the dive team. We will look to add the Officer-Involved Shooting Team services as part of this contract. **\$15,575 – 2019**
9. **Continue to contract dispatch and radio services through South Sound 911 and the Combined Communications Network.** The police department contracts with South Sound 911 from all emergency telephone answering and police dispatching services. We also receive nighttime law enforcement records support through this agency. Additionally, in 2015, the police department was required to migrate to a new digital 700mHz radio system that is owned by the Combined Communications Network (CCN - a consortium of Pierce County Department of Emergency Management and Pierce Transit). An estimate of \$21,168 for CCN radio access fees was used in this projection. **\$247,880 - 2019.**
10. **Assessment Center Costs.** The department uses an outside vendor to conduct our civil service promotional testing to ensure fairness and impartiality. The maintenance of a promotional list is a civil service and collective bargaining requirement. This cost was not factored into our previous budget. **\$6,000 – 2019.**

Removed Objectives

1. **Reclassify one Police Officer position to Sergeant.** This objective was reduced by one-half by moving to a mid-year transition. **(\$4,100) – 2019**
2. **Replace non-skid on patrol boat.** The adhesive non-skid on the decks and hand rails of the patrol boat has been worn through and is in need of replacement. The original manufacturer indicates that it could cost a maximum of \$7440 (\$1990 parts, \$6250 labor), however using city labor, that cost could be trimmed significantly. **(\$7,440) – 2019**

POLICE CAPITAL OUTLAY 2019

1. **Complete implementation of Body Worn Camera (BWC) program.** Three additional BWC systems are required to ensure that each patrol officer is equipped with a functional system. **\$16,950 – 2019.**
2. **Replace two Detective vehicles.** No new patrol vehicles are being requested in this budget cycle, but the two unmarked detective vehicles in use are 2000 and 2008 models. After consulting service records and speaking with city mechanics, they endorse replacing both vehicles. The 2000 Lumina has coolant water in the oil and the 2008 Impala has high miles and has been a service problem. The maintenance costs for each are increasing greatly. We would replace both with Ford Fusion sedans. Cost includes upfitting of police and technology equipment. **\$63,235– 2019**
3. **Evidence Management Software.** In 2009, the department installed a computerized evidence management software system (File on Q v 6.1). This system has met the minimum requirements to track property and evidence items, but lacks certain critical components and/or efficiencies, such as database backup, mobile item logging, and the ability for officers to book property directly. An upgraded version of this software system is available (File on Q v 8.1). Implementation of this software would reduce the workload on the Community Service Officer to log in the property and provide for cloud-based storage and backup. **\$10,061 - 2019**
4. **Upgrade Tasers that are over 5 years old.** The projected life span of a Taser electronic control device is 5 years. Several of these devices are due for replacement during the upcoming budget cycle. The projection is to replace five in 2019. The current cost of a Taser X26P is \$875.00. **\$4,375 – 2019.**
5. **Implement additional less-lethal force option.** In 2017, we introduced an additional use of force option below the level of deadly force: a 40mm sponge round launcher with training rounds, field rounds and related maintenance supplies. This is an effective tool that has the potential to eliminate contact with armed suspects and peacefully solve a deadly force encounter. Currently, we have one such weapon available for the entire department, making it difficult to deploy from a centrally-located storage location. The goal would be to have each of the four Sergeants carry a 40mm launcher for field deployment. **\$5,550 – 2019.**
6. **Computers.** We currently lack a spare tablet computer available for use by an officer when their tablet is in need of repair/service. This prohibits the officer from accessing computerized dispatch and records information. The Community Service Officer is shared between three departments (Planning, Court, Police). That position is using one computer located within the police department. A laptop computer will enable him to move seamlessly between the three departments and

into the field for Code Enforcement duties. The cost of this computer should be shared between Planning and Police.

The two detectives are using outdated mobile computers (32 bit) that are incompatible with current law enforcement programs and Box. Our IT department recommends replacing them at this time (which will ultimately save on docking station installation costs downstream).

One desktop computer within the police department has reached the end of its service life. Additionally, one desktop printer is inoperable and needs to be replaced. This is a total of five computers and one desktop printer. (1 tablet, 2 laptops, 2 desktops) **\$11,456 – 2019**

7. **SECTOR Equipment.** As part of our agreement with Washington State Parks to maintain certification of our Marine Services Unit as an approved program and receive funding, we are *required* to implement the computerized Washington State software program SECTOR on our patrol boat. This will require a small, ruggedized laptop, printer, and mounting system on the boat. **Funds for the majority of this equipment could be derived from our Washington State Parks grant money.

We would share this laptop with the motorcycle to improve efficiency in issuing and submitting citations. **\$5,072 - 2019**

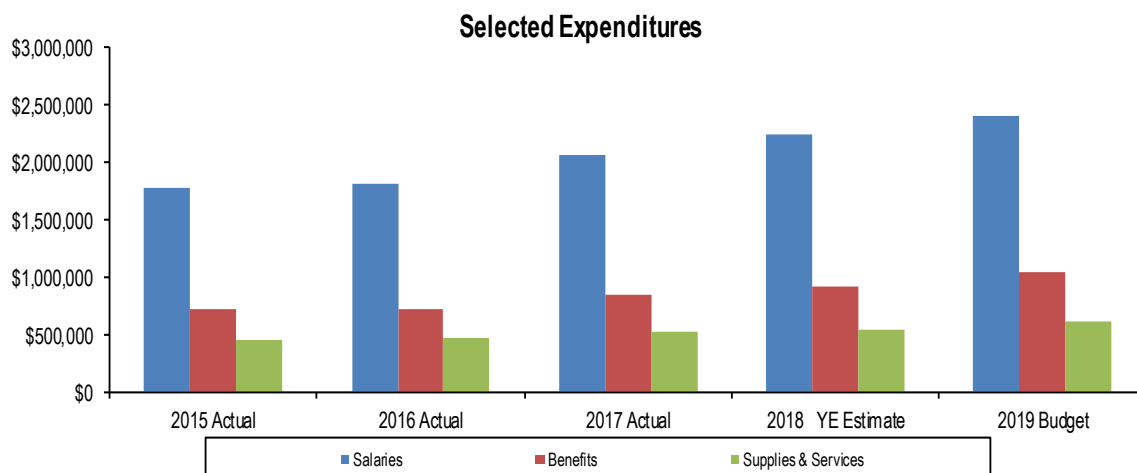
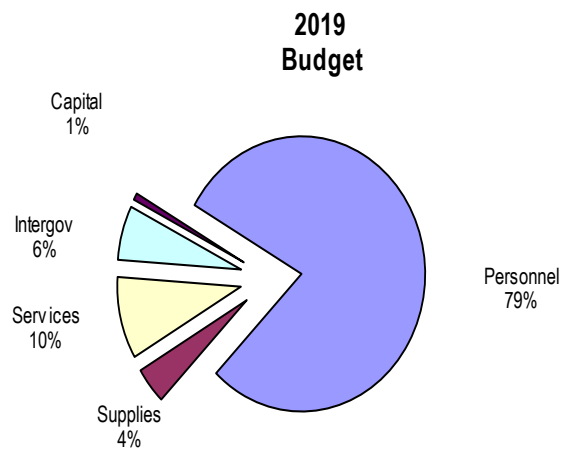
8. **Replace failed patrol boat electronics.** The electronics package on the patrol boat has failed and is no longer serviceable. Replacement electronics (chart plotter, radar, FLIR) is no longer supported by the manufacturer and current technology has made the failed units obsolete. Installation costs are included. **Funds for the majority of this equipment could be derived from our Washington State Parks grant money. **\$18,775 – 2019**
9. **Remote Surveillance Camera.** With increasing thefts in the city, a high-quality surveillance camera would assist us in maintaining observation or recording activities of specific areas. A portable (but secure) camera system that could be deployed at various locations would be of benefit to combat theft. Cost includes cellular data link for 12 months. **\$8,679 – 2019**

Total Capital Outlay is \$100,695

CITY OF GIG HARBOR															
STAFF ADJUSTMENT REQUEST FORM															
A Staff Adjustment Request form should be completed and submitted for any budget requests for Staff Adjustments. Staff Adjustment Requests should be prioritized by each position with no two requests having the same priority number.															
Position Title:		Department:	Fund:												
POLICE SERGEANT		POLICE	POLICE - PATROL												
Salary Range From:	Salary Range To:	Change Date:	January 1, 2019												
\$ 7,584	\$ 8,678	Department Contact:	Chief Busey												
Request to Reclassify a Position		Priority:	1												
Description of Request:															
Reclassify one patrol officer position to sergeant. Mid-Year Promotion. No additional FTE.															
Advantage of Approval / Implication of Denial:															
Currently, there are two days per week (sometimes more) that patrol officers do not have a field supervisor (Sergeant). This leaves a gap in supervisory coverage. The Chief and Lieutenant are frequently bogged down with providing guidance and answering field questions. If a critical event happens, it is likely that the Chief and Lieutenant will know the situation until it is well underway. Additionally, there is no source of field evaluation for these officers.															
Alternatives (Delaying Funding / Partial Funding):															
<table border="1" style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <tr> <td></td> <td colspan="2" style="text-align: center;">2019 Annual Costs</td> </tr> <tr> <td style="text-align: right;">Wages</td> <td style="text-align: center;">\$</td> <td style="text-align: right;">4,104.00</td> </tr> <tr> <td style="text-align: right;">Benefits</td> <td style="text-align: center;">\$</td> <td style="text-align: right;">1,442.00</td> </tr> <tr> <td style="text-align: right;">Total</td> <td style="text-align: center;">\$</td> <td style="text-align: right;">5,546.00</td> </tr> </table>					2019 Annual Costs		Wages	\$	4,104.00	Benefits	\$	1,442.00	Total	\$	5,546.00
	2019 Annual Costs														
Wages	\$	4,104.00													
Benefits	\$	1,442.00													
Total	\$	5,546.00													
Funding Source Description:															

Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Salaries	\$ 1,773,203	\$ 1,810,417	\$ 2,061,678	\$ 2,241,938	\$ 2,405,900
Benefits	721,477	715,449	851,453	918,146	1,040,852
Supplies	120,997	132,896	129,171	134,764	188,711
Services	330,768	342,402	394,846	412,331	422,230
Intergov't charges	128,280	197,400	252,413	281,511	280,000
Capital expenditures	314,287	55,479	471,081	69,104	35,146
Total expenditures	\$ 3,389,012	\$ 3,254,043	\$ 4,160,642	\$ 4,057,794	\$ 4,372,839



PLANNING
DESCRIPTION OF FUNCTION

1. **Professional policy guidance.** Provide professional policy guidance to the Mayor, City Council, Planning and Building Committee, Planning Commission, Design Review Board and other city departments on all matters related to land use and long-range comprehensive planning within the city and its unincorporated urban growth area (UGA).
2. **Community planning activities.** Provide direction for community planning efforts, including the downtown and shoreline planning efforts, economic and community development, future capital facility needs and facilitation of community participation in city planning efforts.
3. **Land use permit process.** Administer the City of Gig Harbor's land use permit process. Including all private-party applications and public capital improvements.
4. **Hearing Examiner.** Provide administrative services for the office of the Hearing Examiner. Prepare staff reports for hearings.
5. **Urban growth area project review.** Review applications and environmental assessment reports on projects within unincorporated Pierce County lying within the city's urban growth area in order to provide comment on the impacts and recommended mitigation measures to the Pierce County Department of Planning and Land Services.
6. **Development Agreements.** Administer the process for review of development agreements related to land use permits.
7. **Long Range Planning.** Review and update city land use development codes and maps, as appropriate. Update the Gig Harbor Municipal Code to reflect changes in state law.
8. **Annexation guidance.** Provide guidance to landowners or interest groups who desire to annex unincorporated areas into the City of Gig Harbor, consistent with state law and the city's annexation policy. This includes conducting the required census of newly annexed areas and the submittal of data to the Office of Financial Management. Census for large areas will typically be contracted out to a professional team.
9. **Code enforcement.** Provide enforcement of the city's land-use development, environmental and nuisance codes in a fair, equitable and timely manner.
10. **Inter-governmental relations.** Act as liaison between city, county, regional, state, tribal and federal governmental organizations and agencies, representing the interests of the City of Gig Harbor and its citizens. This includes continued involvement in inter-jurisdictional coordination under the Growth Management

Act through participation and attendance at the Growth Management Coordinating Committee meetings, appropriate Puget Sound Regional Council committee meetings, and participation in the West Central Local Integrating Organization's salmon restoration planning efforts for WRIA 15.

11. **Annual population changes.** Annually evaluate and inventory population changes within the city and its urban growth area. Provide data to the state Office of Financial Management (OFM) and provide maps of annexed areas to the U. S. Census Bureau. **April.**
12. **Capital facility planning.** Work with the Public Works and Finance Departments to identify capital facility needs and funding mechanisms. As necessary, prepare amendments to the Capital Facilities Element for adoption with annual budget. **Annually.**
13. **Land use fees.** Review land use fees to determine if they are current. **Annually.**
14. **Historic Preservation.** Continue to implement the Certified Local Government (CLG) program under the Washington State Department of Archaeology and Preservation (DAHP) to identify, evaluate, designate and protect designated historic resources within the boundaries of the City of Gig Harbor for future generations including the implementation of special valuations, a property tax incentive, as provided in Chapter 84.26 RCW.
15. **Grants.** Track, apply for, and administer local, state, and federal grants specific to Planning's functions.
16. **GIS Mapping.** Conduct analysis and review using GIS when considering code amendments and their potential impact. In addition, maintain and update the city's official land use and zoning maps on an annual basis, as needed.

**PLANNING
NARRATIVE OF GOALS 2019-2024**

1. **Annual Comprehensive Plan update.** Annually consider public amendments needed to respond to changes in law, policy direction from City Council, and City infrastructure needs. Review privately initiated amendments through the bi-annual docket process. **Annually.**
2. **Implementation of Comprehensive Plan.** Continue to review and analyze the municipal code to ensure the Goals and Policies of the Comprehensive Plan are being implemented and effective. **Ongoing.**
3. **Evaluation of population changes.** Submit development activity to Pierce County in preparation of future buildable lands reports, additionally work with Washington State Office of Financial Management reporting annual growth in order to have an accurate June 1 population assumption. **Annually.**
4. **Public involvement in the implementation of development regulations.** Explore new methods of encouraging and educating citizen and neighborhood groups so they may provide constructive input during comment periods. Develop a public outreach and engagement program which could include off-site Planning 101 presentations and focused topic seminars at the Civic Center. Continued use of www.gigharborplanning.com, bulk mailing companies, and email notification programs such as Constant Contact will allow more interested parties to find out about planning activities. **Ongoing.**
5. **Client relationships.** Continue to improve overall client relationship performance respective to permit application consultation, code familiarization, permit review and inspection services. Participate in refining permit-tracking processes to provide greater oversight and implementation of central permit coordination. Improve the efficiency of front counter assistance relative to the provision of accurate responses to inquiries and the receiving and organizing of permit applications. Update existing client assistance memos and develop additional client assistance memos on typical permit types and common planning questions. Consider electronic plan submittal and review as a way to increase efficiency in the permit review process. **Ongoing.**
6. **Future capital facility needs projections.** The planning staff will work closely with the Public Works and Finance departments to develop projections for needed capital facilities and financing mechanisms. If amendments to the Capital Facilities Element are necessary, planning will facilitate the processing of the amendment along with the adoption of the biennial budget. **Ongoing.**
7. **Coordinate and communicate with Puget Sound Regional Council (PSRC), Pierce County, and regional land use planners.** Continue to increase coordination and communication with Puget Sound Regional Council, Pierce County, and regional land use planners to assist in addressing issues relative to the City of Gig Harbor. Actively participate in the update to the multicounty planning

policies (VISION 2050) with the Pierce County Growth Management Coordinating Committee and Regional Staff Committee of PSRC. Continue with the development of a joint planning agreement between the City Council and Pierce County Council that will address coordination of permit review for properties within the City's associated Urban Growth Area, annexation via interlocal agreement for Urban Growth Areas surrounded by 60% of city jurisdiction. **Ongoing.**

8. **Code Enforcement.** Maintain integrity of development regulations through fair, equitable and reasonable enforcement of city standards. Code enforcement is centralized into one part-time code enforcement officer to handle nuisance, critical area, land use, shoreline, clearing and grading, dirty water and work-without-permit complaints for the Planning, Building/Fire Safety and Public Works departments. Along with responding to complaints, activities will include education to citizens, business owners and land owners on code requirements. **Ongoing.**
9. **Certified Local Government Program.** Continue to implement the CLG program under DAHP. Revitalization of historic downtowns and adaptive reuse of historic districts and buildings conserves resources, uses existing infrastructure, generates local jobs and purchasing, supports small business development and heritage tourism and enhances quality of life and community character. **Ongoing.**
10. **Shoreline Management Plan.** Continue to implement the city's shoreline master program consistent with the state Shoreline Management Act and the permitting and enforcement procedures set forth in WAC 173-27. Review and update the master program consistent with the requirements of WAC 173-26-090. **2019.**
11. **Responsible and Balanced Growth.** Ensure growth is responsible and balanced for the City of Gig Harbor, requiring future growth to pay for its fair share of impacts. Continuation of 2018 Residential Moratorium. **2019.**
12. **Housing Affordability.** Continue to implement the state guidance to ensure adequate housing is available for all income, age, and ability levels. A Housing Needs Assessment is required by the City's Comprehensive Plan Goal 6.4.3 by 2020. **2019-2020.**

**PLANNING
NARRATIVE OF OBJECTIVES 2019**

1. **Annual Comprehensive Plan Amendments.** Review and process public annual amendment docket items and bi-annual private amendment docket items. Amendments for each annual docket are due by the end of June the preceding year. **Annually.**
2. **Process improvements.** Continue to develop text amendments, standard operating procedures, and client assistance memos which increase permit processing efficiency and improve customer service. **Ongoing.**
3. **Land Use Text Amendments.** Respond to State and Federal legislation. Process private-party and city requested text amendments initiated by the City Council. Review the Planning Commission's work program annually with the City Council. As necessary, reduce the frequency of Planning Commission meetings to once a month to provide staff and the commission adequate time to prepare for and review the active text amendments. **Ongoing.**
4. **Balance long-range and current planning tasks.** Balance tasks to maintain and improve upon permit processing timelines as permit volume continue increasing. **Ongoing.**
5. **FEMA Special Flood Hazard Area Regulations.** Continue working with the City's consultant and FEMA staff to prepare an approach for habitat assessment review of development projects within the Special Flood Hazard Area. Under FEMA required regulations, almost all projects within the defined area must complete a habitat assessment to show that the project will not affect or will not likely adversely affect endangered species. Currently, the review is conducted on a project-by-project basis, with each project paying an average of between \$2,000 and \$5,000 in consultant fees to prepare the assessment. After discussion with FEMA personnel, they are open to the possibility of the City conducting a programmatic habitat assessment or making other code amendments that could ease the financial and time burden for smaller projects. Draft regulations are currently under review by FEMA staff with the city awaiting a response from that agency regarding their position on the proposal. **\$20,000 – 2019.**
6. **Residential Performance Standards.** Continue the review of performance standards related to residential zones and uses that were identified as part of the 2018 Residential Moratorium. **2019 – 2020.**

7. **Housing Affordability.** Hire a consultant to conduct a Housing Needs Assessment in coordination with the local housing authority. The needs assessment to include; analysis of housing needs for City residents based on age and special need; An estimate of housing needs by income group; and policy recommendations to increase rental affordability. In addition to the housing needs assessment, consider amendments to the Comprehensive Plan and GHMC to include best management practices for housing affordability in order to increase supply near services. **\$30,000 – 2019.**
8. **PC/UGA Coordination.** Work in coordination with Pierce County Planning and Public Works to protect and enhance development within the Associated Urban Growth Areas, utilizing the findings from the Annexation Feasibility Study. **Ongoing.**
9. **Shoreline Master Program Update.** Work in coordination with Department of Ecology staff per the requirements of WAC 173-26-090 to complete the periodic review and update of the city's shoreline master program. **2019.**
10. **Historic Preservation/CLG.** Review and process applications for listing on the Gig Harbor Local Register, including the review and processing of Certificates of Appropriateness for alterations and rehabilitations of listed properties. Work in coordination with the applicant and DRB. **Ongoing.**

Removed Objectives

1. **Annexation Feasibility Study.** Hire a consultant to assess the feasibility of annexing the 13 different UGA areas identified in the Comprehensive plan. Both Pierce County and Puget Sound Regional Council desire the City to annex all our affiliated UGA areas by 2030. A feasibility study would help the City prioritize areas for annexation as well as identify issues and opportunities for each area (fire flow/taxes/incompatible uses/infrastructure needs/form of annexation). **\$50,000 – 2019.**

PLANNING
CAPITAL OUTLAY 2019

Total Capital Outlay is \$0

CITY OF GIG HARBOR

STAFF ADJUSTMENT REQUEST FORM

A Staff Adjustment Request form should be completed and submitted for any budget requests for Staff Adjustments. Staff Adjustment Requests should be prioritized by each position with no two requests having the same priority number.

Position Title:		Department:	Fund:
Community Development Director		Community Development	General
Salary Range From:	Salary Range To:	Change Date:	
\$ 9,527	\$ 11,909	Department Contact:	Wade Farris
Request to Add a Position		Priority:	1

Description of Request:

It is the desire to improve the development permitting process to improve communication, predictability, efficiency, and collaboration to the community. Request to merge the Planning, Building and Fire Safety and a portion of the Engineering department into one Community Development Department, thereby creating a new position of Community Development Director needing to manage this new department. Request of approval to amend the 2017-2018 Biennial Budget due to the current vacancy of the Planning Director and post the Community Development Director position to start mid December 2018 - January 2019.

Advantage of Approval / Implication of Denial:

Oversight and coordination of permitting and development activities. Create accountability and efficiencies within areas of the development function. Project oversight from planning to building and providing the public with clear and consistent communication and service delivery level.

Alternatives (Delaying Funding / Partial Funding):

Status quo.

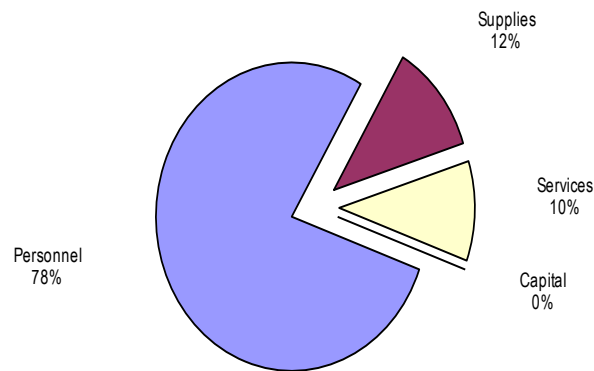
	2019 Annual Costs
Wages	\$ 18,492.00
Benefits	\$ 3,851.00
Total	\$ 22,343.00

Funding Source Description:

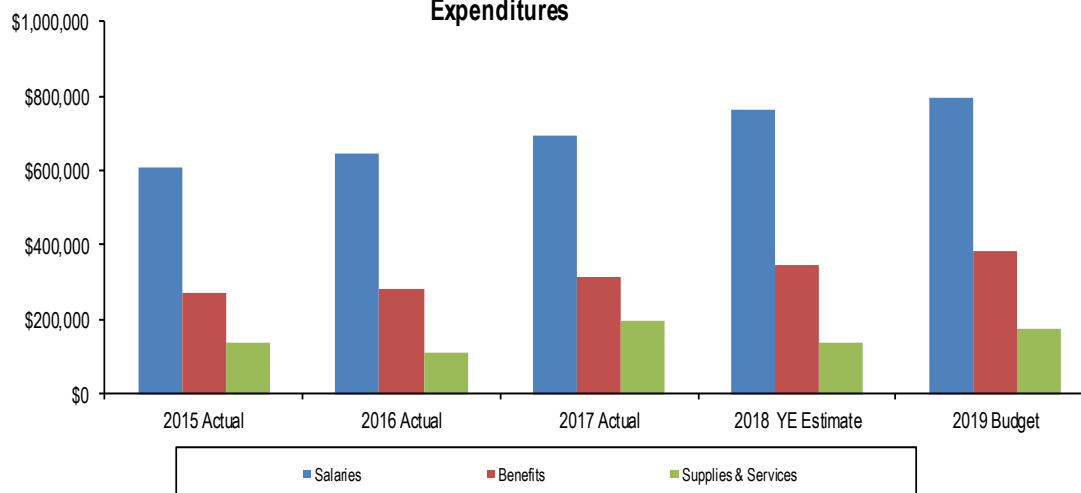
Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Salaries	\$ 608,285	\$ 643,793	\$ 694,062	\$ 765,162	\$ 796,300
Benefits	269,343	282,977	315,883	347,780	381,650
Supplies	16,253	7,160	14,755	13,044	17,150
Services	122,778	104,859	178,317	125,915	158,160
Capital expenditures	-	-	-	-	-
Total expenditures	\$ 1,016,659	\$ 1,038,789	\$ 1,203,017	\$ 1,251,901	\$ 1,353,260

2019 Budget



Expenditures



BUILDING & FIRE SAFETY
DESCRIPTION OF FUNCTION

1. **Policy guidance.** Advise City officials on policy matters related to building construction, fire and life safety, and code enforcement.
2. **Community activities.** Promote community health and safety by providing information and education on matters related to building construction; fire and life safety.
3. **Construction permitting/code compliance.** Advance safety and durability in the City's built environment through review, permitting, inspection, approval and enforcement of all work regulated under GHMC Title 15.
4. **Fire prevention.** Reduce hostile fires through fire code enforcement, fire/explosion investigation, and inspection of commercial occupancies.
5. **Intra/inter-jurisdictional cooperation.** Promote coordination between departments by participating in pre-application conferences and reviewing land use, annexation, and civil construction proposals.
6. **City Facilities.** Conduct annual fire code inspections of all City facilities.
7. **Historic structure codes.** Promote preservation of the city's heritage and sustainable development through the adoption and application of codes addressing the unique aspects of historic structures.

**BUILDING & FIRE SAFETY
NARRATIVE OF GOALS 2019-2024**

1. **Maintain up-to-date construction codes.** Uphold public safety and support a healthy construction industry through maintenance of up-to-date construction codes; enabling clear, consistent, and predictable application of code provisions. **2019.**
2. **Refine the use of information technology in the plan review and inspection programs.** Increase efficiency by using information technology to review and revise plans; access the land information system, codes, and technical information in the field; and facilitate information sharing both internally with staff, and with customers at their project sites. **2019.**
3. **Enhance on-demand access to building/fire safety information.** Provide the public with 24/7 expanded access to codes, permitting, construction technology, and other pertinent information through the building and fire safety web page with appropriate resource links. **2019.**
4. **Maintain a comprehensive fire code compliance program.** Assure public safety and favorable insurance rates by maintaining, within budgetary limitations, a fire code compliance program consistent with GHMC Title 15 and Washington Survey and Rating Bureau requirements. **2019.**

**BUILDING & FIRE SAFETY
NARRATIVE OF OBJECTIVES 2019**

1. **Maintain staff competency, professionalism and certifications.** Maintain staff competency, professionalism, and certifications through participation in training, code update courses and other relevant professional development opportunities. **December.**
2. **Provide fire inspection and investigation programs.** Provide for inspection of work done under fire code construction and operational permits issued by the City, and for fire investigations compliant with state law. **December.**
3. **Update informational handouts related to department activities and procedures.** Update existing and create new informational materials related to department activities, policy and procedures making such information available in various media formats. **December.**
4. **Fully develop the SmartGov Portal and Dashboard for permit management and data reporting.** With the transition from Interlocking to SmartGov, complete the implementation and testing of the SmartGov Portal and computer program and provide additional reporting capability from the permit tracking system. **December.**
5. **Enhance electronic plan review program.** Electronic plan review is now an option across all Community Services Departments. The Building Department has taken the lead to maintain an efficient and effective system; providing training, guidance and integration across the Departments. These practices will be further vetted and refined during the coming year. **December.**

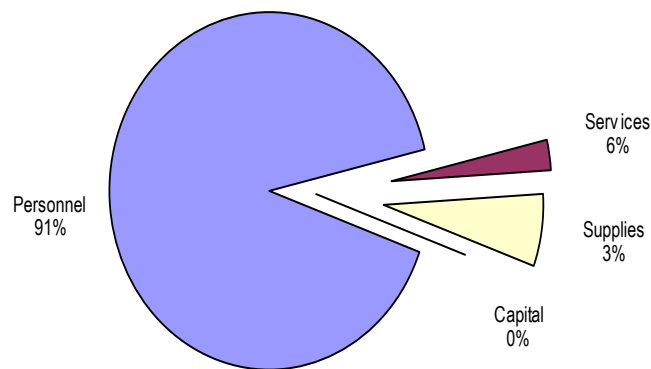
**BUILDING & FIRE SAFETY
CAPITAL OUTLAY 2019**

Total Capital Outlay is \$0

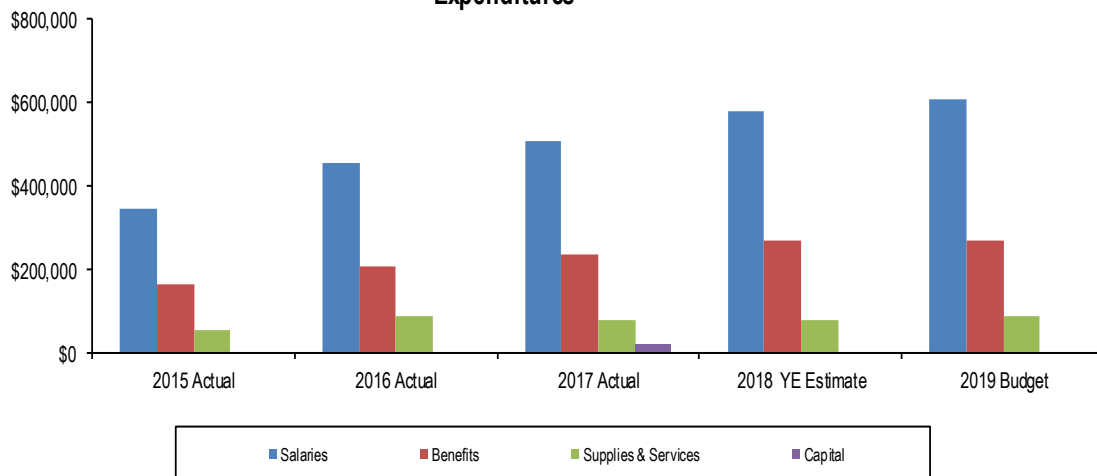
Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Salaries	\$ 344,793	\$ 453,611	\$ 508,777	\$ 578,391	\$ 610,100
Benefits	167,099	207,689	235,266	267,381	271,100
Supplies	16,209	17,584	23,743	27,599	26,700
Services	38,524	70,894	57,468	51,053	63,500
Capital expenditures	-	-	23,988	-	-
Total expenditures	\$ 566,625	\$ 749,778	\$ 849,242	\$ 924,424	\$ 971,400

2019 Budget



Expenditures



PUBLIC WORKS DEPARTMENT

DESCRIPTION OF FUNCTION

The Public Works Department is responsible for a wide variety of infrastructure services to the public. Primarily, this involves streets, storm drains, potable water, waste water, parks and recreation, building maintenance, and lighthouse maintenance. These services are generally provided by three divisions – Operations, Engineering and Wastewater. Below is a more detailed description of each section's function under the Public Works umbrella.

Operations

City of Gig Harbor Operations Division is responsible for the maintenance of the city's infrastructure including roads, storm drain, parks, water utility, building maintenance, and city-owned equipment.

1. **Streets.** The Streets Division is a general fund function that is responsible for the upkeep of all municipal roadways. This responsibility includes: planning and constructing capital improvements for future growth, right-of-way mowing, street sweeping, vegetation control, asphalt and concrete repair (roads and sidewalks), crosswalk and other pavement markings and striping, street name and regulatory signs and miscellaneous duties that impact the city roadways.
2. **Storm Water.** The storm and surface water management function in an enterprise fund that is responsible for the upkeep of all municipal owned drainage conveyances that collect and discharge surface and storm water. This responsibility includes: roadside ditch cleaning, shoulder grading, catch basin and storm detention pond inspection/cleaning, street and driveway culvert inspection/cleaning, and other miscellaneous duties to help prevent or reduce flooding and protect the environment.
3. **Water.** The Water Division is an enterprise fund that is primarily responsible for water supply and distribution. This responsibility includes: planning and constructing capital improvements for future growth, collecting and testing water samples to ensure water quality, maintaining pumps and electrical motors, fire hydrant repair, and pipe repair. This function also provides meter installation and repairs services, operates and maintains the automated supervisor control and data acquisition (SCADA) system and other miscellaneous duties that help us provide safe drinking water to our customers.
4. **Parks.** The Parks Division is a general fund function that is responsible for the development, repair and maintenance of all city owned parks in the City of Gig Harbor. This responsibility includes: park master planning, exterior facility maintenance and repair, landscape maintenance including the roundabouts and streetscapes. This activity also provides special support services such as upkeep of flower baskets and planters during the spring and summer months, and other miscellaneous duties that keep the city parks functioning efficiently and effectively.

5. **Fleet.** The Fleet Management function is supported by various city funds and is responsible for the maintenance of all light and heavy-duty vehicles and off-road equipment owned and operated by the city. This responsibility includes acquisition of new city vehicles and the resale of city vehicles that have reached the end of their useful life. This function also manages the purchasing, storing and distribution of fuels and automotive parts, contract and vendor management and other fleet related duties that support city operations.
6. **Gig Harbor Lighthouse.** The lighthouse function that is responsible for the repair and maintenance of the Gig Harbor lighthouse.
7. **Building Maintenance.** Building maintenance is a general fund function that supports the operation and maintenance of two City general-use buildings (Civic Center at 3510 Grandview Street and Visitor's Center at 3125 Judson Street).

Engineering

Engineering is considered a General Fund division of Public Works that is also supported by other Public Works funds. The narrative of goals for Engineering are shown in this section of the budget. However, the narrative of objectives for Engineering has been incorporated into the narrative of objectives for the various other fund sections of this budget. Engineering is primarily responsible for carrying out city infrastructure improvements and review of public, city capital, and private developer funded development projects. This includes various permit reviews of all development that affects public infrastructure. Engineering also implements city-wide studies in order to identify and implement improvements to infrastructure as well as performing long-range infrastructure planning duties. Engineering comprises capital improvement and development review functions. Engineering also provides support, engineering, permit and project management services to all the various divisions of the Public Works Department. Engineering also works closely with other city departments, elected officials, and the public to ensure that our infrastructure is designed and installed properly and that it meets all local, state, and federal standards and guidelines. Engineering over the years has established a partnered and effective interlocal agency partnerships with other local and state agencies including; Pierce County, Washington State Department of Transportation, Washington State Department of Fish and Wildlife, Washington State Public Works Board, Washington State Transportation Improvement Board and the Department of Ecology.

Wastewater

The Wastewater Division is an enterprise fund that is primarily responsible for collecting and treating wastewater. This wastewater, which is generated from residences, businesses and other users, is collected and safely conveyed to the city's wastewater treatment facility for treatment then treated and discharged in a safe, efficient and environmentally sound manner in accordance with permit requirements. This function is also responsible for planning and constructing capital improvements for future growth, annual inspections and cleaning of wastewater main lines, wastewater manhole inspection and cleaning, general system operation, wastewater pump stations maintenance, and bio-solids hauling and disposal.

PUBLIC WORKS NARRATIVE OF GOALS 2019 – 2024

Operations

Generally, the long-range goals for the Operations Division are summarized under the Narrative of Goals within each of the parks, streets, water, storm water, and building maintenance sections of this budget document. However, one common goal for the Operations Division that spans four funds is the new Public Works Operations Center. This goal is outlined below.

1. **Public Works Operations Center Site Plan and Building Design and Construction.** The existing Public Works Shop building was constructed in 1983 when the facility housed four employees and their equipment. Since 1983 the City has increased many fold in number of assets Public Works operates and maintains. In 2018 the Public Works Operations Division now houses 21 employees and more employees will be needed in the next few years. The current shop building is woefully inadequate to house the current and future employees and the technology demands required to be efficient and effective. The City needs to replace the antiquated maintenance facility with a functional facility to include provisions for meeting space, modern technology, additional staff parking, sewer connection, administrative functions, staff areas, sign shop, decant facility, waste recycling and fleet maintenance. **2019 – 2020.**

Engineering

1. **Implementation of Comprehensive Plan.** As financially feasible, construct the identified water, storm, wastewater, parks, and transportation improvements specified within the city's comprehensive plan and associated utility planning documents. **2019 - 2024.**
2. **Public works standards.** Periodically update the water, storm, wastewater, parks, and transportation elements of the Public Works Standards as needed. **2019 – 2024.**
3. **Development review.** Review plans for and perform construction inspection of the public portion of private development projects to ensure they meet the city's standards. **2019 - 2024.**
4. **Transportation Improvement Plan.** Develop and implement the annual update to the Six Year Transportation Improvement Program, consistent with the Comprehensive Transportation Plan. **2019 - 2024.**
5. **Interagency Partnerships.** Maintain the established partnerships and develop additional partnerships with other local and federal agencies. **2019 - 2024.**

6. **ADA transition Plan.** Implement and update the transition plan to address citizen concerns as well as Federal mandates. **2019 - 2024.**
7. **Grants.** Track, apply for, and administer local, state, and federal grants. Examples include the various state RCO grants, salmon recovery/environmental grants (SRFB, nearshore, PC salmon fund, conservation futures, etc.), federal grants & appropriations (EPA, STAG, Dept. of Interior, HUD-EDI, etc.), various state grants (Urban Vitality, DNR, DOE, CTED, etc.). **2019 - 2024.**

Wastewater

Long-range goals are summarized under the Narrative of Goals within the wastewater sections of this budget document.

**PUBLIC WORKS
NARRATIVE OF OBJECTIVES 2019**

Plan, construct, and maintain city infrastructure. See specific list of objectives summarized within the city's park, street, water, building maintenance, wastewater and storm water sections of the budget.

**PUBLIC WORKS
CAPITAL OUTLAY 2019**

Operations – see Parks, Street, Water, and Storm sections for a detailed description of capital outlay.

Engineering – see Parks, Street, Water, Wastewater and Storm sections for a detailed description of capital outlay.

Wastewater - see Wastewater section for detailed description of capital outlay.

PARKS DIVISION - OPERATING
DESCRIPTION OF FUNCTION

The Parks Operating Division is responsible for providing a variety of quality outdoor recreational opportunities and facilities for the citizens of Gig Harbor and visitors. Staff provides services for acquisition, development, planning, maintenance, cleaning, repair and improvement of over 132 acres of park land and 8.45 miles of trails and support facilities, including 11 restrooms, 60 garbage cans, 24 dog bag dispensers, providing recycling opportunities, as well as inventory and testing of city-owned backflow devices. This includes implementing and supporting aesthetic, functional, and seasonal features along city arterials and pedestrian corridors such as the hanging flower baskets and banners. The program also provides coordinates funding and support with community partners for the annual city parade, weekly concerts at Skansie Brothers Park during the summer months, monthly outdoor movies at Skansie Brothers Park during the summer months, and other community events utilizing city facilities.

**PARKS DIVISION - OPERATING
NARRATIVE OF GOALS 2019 - 2024**

1. **Trail patrol program.** Look into developing and implementing a trail patrol program at the Parks Commission's request. Staff support would include coordination with community volunteer group. **2019 - 2024.**
2. **Park recycling program.** Continue to expand the recycling program in city parks. **2019 - 2024.**
3. **Volunteer program.** Utilize the volunteer program with a list of pre-determined tasks. **2019 - 2024.**
4. **Donation process.** Utilize the donation policy to include standard locations and furnishings pre-determined by Public Works and the Parks and Arts Commissions, as appropriate. **2019 - 2024.**
5. **City parks information on website.** Provide up-to-date information and detail on city parks, including driving directions, available amenities, the donation policy, and park boundaries. **2019 - 2024.**

**PARKS DIVISION – OPERATING
NARRATIVE OF OBJECTIVES 2019**

Mayor & Department Supported Objectives

1. **Seasonal Hire.** Hire eight (8) seasonal help with work in parks, streets, water and storm. **Estimated cost is Wages - \$123,000 (Parks - \$61,500, Street - \$24,600, Water - \$12,300, Storm - \$24,600).**
2. **Cushman Trail Markings.** Restripe Cushman trail and provide location markers to provide efficient emergency response for safety and medical issues. Implement this program in ¼ mile increments. This work is proposed to be completed by Operations Staff. **\$2,500.**
3. **Donkey Creek Park Renovations.** Renovations and repairs to park to include leveling, installation of functional drainage system, irrigation upgrades and fencing fabric replacement. **\$50,000.**
4. **Cartegraph OMS Enterprise Platform Licensing.** Continue to operate the existing Public Works citizen request work order and advanced asset management software for the City's facilities, public spaces and infrastructure. Enterprise Platform includes Cloud Shared Hosting subscription and support for 55 users and includes advance user tools providing the City to create custom assets in-house. This licensing integrates Cartegraph with Esri GIS services to use location to make data more useful and accurate. **\$29,775 (Parks \$5,955, Streets \$5,955, Water \$5,955, Storm \$5,955, Wastewater \$5,955).**
5. **Skansie House Sidewalk Improvements.** Trim hedge and replace crumbling driveway and sidewalk adjacent to the Skansie House This work is proposed to be completed by Operations Staff. **\$25,000.**
6. **Gutter Replacement.** Install gutters/downspouts at Little League Fields announcer/well house building and restroom/snack shack building, PW Maintenance Shop building, Crescent Creek Park well house, Veteran's Memorial Park restroom and pavilion, Maritime Pier restroom. **\$12,700 (Parks \$8,994, Street \$530, Water \$2,646, Storm \$530).**
7. **Skate Park Security Cameras.** Install up to two new security cameras at the City's Skate Park to monitor activities in the park. **\$8,000.**
8. **Laborer (1FTE).** Public Works proposes to hire one temporary Laborer that will support parks maintenance. The position will be for a one-year term.

Removed Objectives

1. **Movie Screen.** Replace existing screen used for summer movies. Included in the price is an AV package with a new audio system, video projector, stand, DVD player and cable. **\$6,000 (Marketing budget does not have funding).**
2. **Wilkinson Farm Park Tree Removal.** Wilkinson Farm Park contains an historic holly grove that was established around 1925 for the sale of harvested holly and crafted wreaths. Over the years, maple trees have encroached on the grove, putting the health of the holly in danger. In order to reclaim the orchard, the overgrown maple trees need to be thinned. This work is proposed to be completed by Operations Staff. **\$4,000.**
3. **Veteran's Memorial Park Ball Field Restoration.** Renovations and repairs to ball fields to include re-leveling the field, installing functional drainage system, irrigation upgrades and fencing fabric replacement. **\$100,000.**
4. **Veteran's Memorial Park Play Structure.** Install additional play structure to meet the needs of the school-age children (5 -12-year range). **\$200,000.**
5. **Eddon Boat House Repainting.** Prepare and repaint the exterior of the Eddon Boat House building at Eddon Boat Park. **\$40,000.**
6. **Eddon Boat Building Signage.** Change out 8" anodized aluminum dimensional letters on the Eddon Boat Building to read "Eddon Boatyard". **\$1,200.**
7. **Public Works Facility Security.** Add security cameras to monitor perimeter of buildings and property. **\$5,000 (Parks \$1,250, Street \$1,250, Water \$1,250 Storm \$1,250).**
8. **Finholm Restroom Roof Replacement.** Replace roof on restroom at Finholm View Climb due to deterioration. This work is proposed to be completed by Operations Staff. **\$6,000.**

ARTS COMMISSION - PARKS OPERATING 001 - 015
NARRATIVE OF OBJECTIVES 2019

1. **Creative Endeavors Support.** Establish a program supporting and encouraging creative endeavors — especially those that provide “hands on” experiences — within Gig Harbor’s varied and diverse arts organizations. The Arts Commission will establish specific criteria for providing Cultural Enrichment support, with preference given to events and experiences that take place during the winter months. **\$25,000.**
2. **Certified Creative District Exploration.** Actively explore and engage in the planning, application and state-certification process with the city of Gig Harbor and the Washington State Arts Commission. This is a new legislative initiative designed to support the state's creative economy. Creating a state-certified Creative District provides a strong base for communities to grow the arts and creative economy through grants and other cultural opportunities for their residents and visitors.
3. **Workshops and Presentations 2019.** Continuing the popular series of workshops begun six years ago:
 - a. **Making Friends with the Media.** Workshop will comprise a panel of media representatives who'll discuss the information to publicize events.
 - b. **Using Social Media as a Marketing Tool.** In partnership with the Downtown Waterfront Alliance and Chamber of Commerce, this workshop is geared to artists and small business owners.
 - c. **Arts Workshop TBD.** Workshop held in tandem with a cultural partner such as Artist Trust or the Washington State Arts Commission.
4. **Snowplow Art.** Working with Public Works, create opportunities for local school children to paint the blades of the city’s snowplows. **\$500.**
5. **Carved Tree Stumps.** Explore the possibility of having some of the remaining tree stumps in city parks or rights of way carved artistically. The stumps will eventually decompose, and the artworks will become a part of the site’s organic history. **\$5,000.**
6. **Self-guided Art Tour.** Work with the Waterfront Alliance to update the Walking Tour brochure to identify city-owned artworks, including those located in the Civic Center and along the downtown waterfront. Production and printing costs will be shared with the Alliance. **\$2,500.**

7. **Arts Purchase Award.** Peninsula Art League Open Juried Art Show draws entries from artists throughout the U. S. and Canada. Arts Commissioners are asked to select the piece to receive a “Commissioner’s Choice” certificate award. Occasionally, the artwork is appropriate for the City’s public art collection and could be purchased to add to the collection. **\$1,000.**
8. **Update to Gig Harbor Arts Commission Web page.** Update the outdated page on the city’s website with refreshed content about the Arts Commission and the work they are engaged in for the citizens of Gig Harbor. **\$1,500.**
9. **Graduate Student Intern.** To help support initiatives in 2019. **\$2,000.**
10. **Historic plaques for concrete pillars at Donkey Creek / History Museum / Austin Estuary.** Working with the History Museum and former councilman Steve Ekberg, we will create interpretive signage for each of the five pillars near the museum and Austin Estuary. The plaques will briefly tell the story of Gig Harbor’s first people and the historic significance of the five sites where the concrete pillars stand. **\$7,500.**

CITY OF GIG HARBOR													
STAFF ADJUSTMENT REQUEST FORM - PW													
A Staff Adjustment Request form should be completed and submitted for any budget requests for Staff Adjustments. Staff Adjustment Requests should be prioritized by each position with no two requests having the same priority number.													
Position Title:		Department:	Fund:										
Laborer - Temporary		Public Works-Operations	015										
Salary Range From:	Salary Range To:	Change Date:	January 1, 2019										
\$ 3,522	\$ 4,402	Department Contact:	Jeff Langhelm										
Request to Add a Position		Priority:	1										
Description of Request:													
<p>The Public Works Department Operations Division currently uses a staff of six full time employees and six seasonal employees to maintain the City's parks, streetscapes, and grounds.</p> <p>The 2017 Public Works Operations Efficiency and Improvement Study identified the addition of up to eight new maintenance (or laborer) positions by the end of 2020. These new positions are intended to fill the backlog of annual field work that was identified annually at over 13,000 hours of work. This proposed laborer position would be the third of those eight positions. Public Work will review the impacts of the two laborers added since May 2018 on the overall backlog of annual field work and believes the addition of 1.0 FTE for parks and streetscapes is justified at this time with no further additions proposed in the near future.</p> <p>In anticipation for changes proposed by Council related to staffing, Public Works is requesting this position be filled for a 1-year temporary term.</p>													
Advantage of Approval / Implication of Denial:													
<p>The Parks division needs another low-skilled position to provide increasing maintenance tasks due to increased maintenance tasks and improvement projects proposed by Council in the 2019 Budget in both parks and grounds. Without this position the City's pro-active maintenance tasks may likely be deferred to a point where the rate of deterioration increases, therefore costing more while not meeting the level of service expected by residents, businesses, elected officials, and staff.</p>													
Alternatives (Delaying Funding / Partial Funding):													
<p>An alternative to funding this position is to instead hire one additional seasonal position for Park division. While this alternative might save money, the list of improvement projects proposed by Council in the 2019 Budget completed by Operations Staff will not use seasonal positions.</p>													
<table border="1" style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center; padding: 5px;">2019 Annual Costs</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">Wages</td> <td style="text-align: right; padding: 5px;">\$ 49,259.00</td> </tr> <tr> <td style="padding: 5px;">Benefits</td> <td style="text-align: right; padding: 5px;">\$ 40,557.00</td> </tr> <tr> <td style="padding: 5px;">Other</td> <td style="text-align: right; padding: 5px;"></td> </tr> <tr> <td style="text-align: right; padding: 5px;">Total</td> <td style="text-align: right; padding: 5px;">\$ 89,816.00</td> </tr> </tbody> </table>				2019 Annual Costs		Wages	\$ 49,259.00	Benefits	\$ 40,557.00	Other		Total	\$ 89,816.00
2019 Annual Costs													
Wages	\$ 49,259.00												
Benefits	\$ 40,557.00												
Other													
Total	\$ 89,816.00												
Contract Position: <input type="checkbox"/>													
Funding Source Description:													
Funded by Parks (1.0 FTE)													

CITY OF GIG HARBOR																					
CITY PROJECT / EQUIPMENT / MATERIALS REQUEST FORM																					
This form should be completed and submitted for any budget requests for projects completed by City-forces, new equipment, and/or new materials. Each form should be prioritized by each department and/or fund, with no two requests having the same priority number.																					
Project Title:		Seasonal Hire																			
Department:	Public Works	Fund(s):	Parks Operating - 015																		
2019 Cost:		Priority:	1																		
\$ 123,000.00		Department																			
Does this respond to a Council goal:		Yes <input type="checkbox"/>	No <input type="checkbox"/>																		
If yes, describe goal location:																					
Description of Request:																					
Hire eight (8) seasonal help with work in parks, streets, water and storm.																					
Advantage of Approval / Implication of Denial:																					
More help in our busy season to help catch up on mowing and trimming and building repair.																					
Alternatives (Delaying Funding / Partial Funding):																					
Continue to fall behind on gardening and building maintenance.																					
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center; padding: 5px;">2019 Associated Costs</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">Wages</td> <td style="padding: 5px;">\$ 123,000.00</td> </tr> <tr> <td style="padding: 5px;">Benefits</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="padding: 5px;">Equipment</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="padding: 5px;">Materials</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="padding: 5px;">Services</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="padding: 5px;">Consultant</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="padding: 5px;">Other</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="padding: 5px;">Total</td> <td style="padding: 5px;">\$ 123,000.00</td> </tr> </tbody> </table>				2019 Associated Costs		Wages	\$ 123,000.00	Benefits		Equipment		Materials		Services		Consultant		Other		Total	\$ 123,000.00
2019 Associated Costs																					
Wages	\$ 123,000.00																				
Benefits																					
Equipment																					
Materials																					
Services																					
Consultant																					
Other																					
Total	\$ 123,000.00																				
One Time Expense: <input type="checkbox"/>		Continuous Funding Request: <input checked="" type="checkbox"/>																			
Continuous Funding Amount = 123K		/year																			
Funding Source Description:																					
(Parks - \$61,500, Street - \$24,600, Water - \$12,300, Storm - \$24,600)																					

**PARKS DIVISION – OPERATING
CAPITAL OUTLAY 2019**

Mayor & Department Supported Capital Outlay

1. **Replace Side Mower for Tractor.** This capital outlay will replace the side mowing unit only and does not require the entire tractor to be replaced. **\$105,000 (Parks \$26,250, Streets \$26,250, Water \$26,250, Storm \$26,250).**
2. **New Ford F550 3-yard dump truck.** Due to increased amount of City infrastructure an additional 3-yard dump truck is necessary to complete the City's work. **\$75,000 (Parks \$18,750, Streets \$18,750, Water \$18,750, Storm \$18,750).**
3. **New Dump Trailer.** This trailer will reduce the demands and wear/tear on the larger, more expensive equipment. **\$12,000 (Parks \$3,000, Streets \$3,000, Water \$3,000, Storm \$3,000).**
4. **New Service Truck with crane, generator, air compressor.** Due to increased amount of City infrastructure and equipment a new service truck is necessary to complete the City's work. **\$120,000 (Parks \$20,000, Streets \$20,000, Water \$60,000, Storm \$20,000).**
5. **Replace Four (4) Variable Message Signs.** The City currently operates seven (7) variable message signs. This objective proposes to replace the four (4) oldest of the signs, which are nine (9) years old and costing a significant amount of staff time and parts to maintain. **\$85,000 (Parks \$17,000, Streets \$17,000 Water \$17,000, Storm \$17,000, Wastewater \$17,000).**
6. **Replace 1999 Ford F450 Flatbed Truck (#1024).** This truck is currently used for placing de-icer. The running gear has significantly deteriorated and must be replaced. **\$42,300 (Parks \$10,575, Streets \$10,575, Water \$10,575, Storm \$10,575).**

Removed Capital Outlay

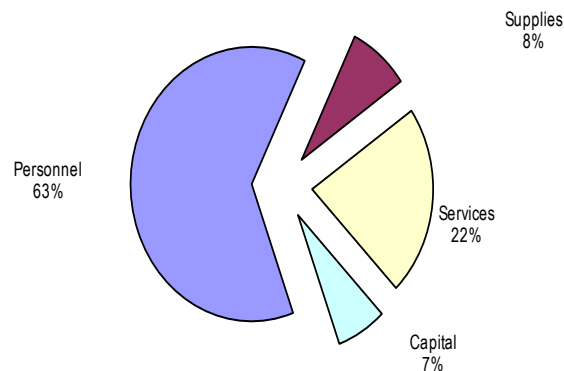
1. **Replace Z-Turn Mower. \$15,000.**
2. **Replace 2008 Chevrolet Silverado 1500 (#2015) with Chevrolet Volt Electric Vehicle.** This vehicle has about 102,000 miles and annual maintenance costs continue to mount. **\$35,500 (Parks \$8,875, Streets \$8,875 Water \$8,875, Storm \$8,875).**

Total Parks Division Capital Outlay is \$95,575

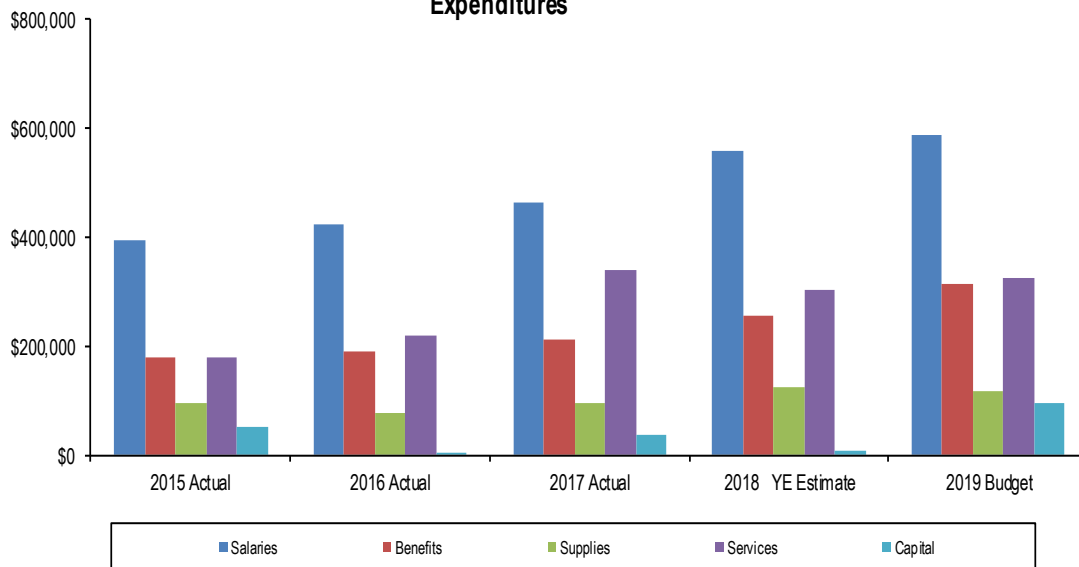
Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Salaries	\$ 394,697	\$ 422,094	\$ 464,156	\$ 557,470	\$ 588,700
Benefits	179,025	190,310	211,691	254,788	314,825
Supplies	96,322	77,542	96,864	125,922	116,250
Services	177,883	220,069	341,366	304,722	323,812
Capital expenditures	51,483	5,500	37,266	9,000	95,575
Total expenditures	\$ 899,410	\$ 915,515	\$ 1,151,343	\$ 1,251,902	\$ 1,439,162

2019 Budget



Expenditures



CITY BUILDINGS
DESCRIPTION OF FUNCTION

The City Buildings function is to maintain, preserve and enhance city buildings, including the City Civic Center and the Welcome Center, in accordance with city codes and community standards to provide a safe, pleasant, attractive, and productive environment for city activities, the public and tenants. (Note: Grounds maintenance and improvements for city buildings are incorporated under the Parks Division.)

**CITY BUILDINGS
NARRATIVE OF GOALS 2019 – 2024**

1. **City buildings.** Maintain, and construct minor improvements to the Civic Center and Welcome Center consistent with budgeted objectives and available staff. **2019 - 2024.**
2. **Community service.** Supervision and documentation of the community service participants. **2019 - 2024.**
3. **Grounds maintenance.** Continue to improve the landscaping throughout the grounds at the Civic Center, utilizing community service participants, full-time staff and seasonal workers. **2019 - 2024.**
4. **Security equipment (electronic hardware and software).** Install security equipment to provide security for employees as well as the public. **2019 – 2024.**
5. **Security measures.** Provide additional security measures for the offices of the Court Clerks/Cashier and the Finance Cashier. **2019 – 2024.**

CITY BUILDINGS
NARRATIVE OF OBJECTIVES 2019

Mayor & Department Supported Objectives

1. **HVAC Controls.** Re-commission HVAC controls along with training on new system. **\$7,000.**
2. **Bogue Visitor's Center Re-Roofing.** Remove the existing shingles and place new 20-year shingles on the Bogue Visitor's Center. This work is budgeted to be completed by the Public Works Operations Division. **\$12,000.**
3. **Technology Upgrades.** Purchase one interactive video screen for the Planning/Building Conference Room, one projector and computer for the Public Works Conference Room and one wireless projector for Community Room A/B. These upgrades will be funded by permit revenues and split between Planning, Building, Street, Water, Sewer and Storm funds. **\$12,000 – 2019.**

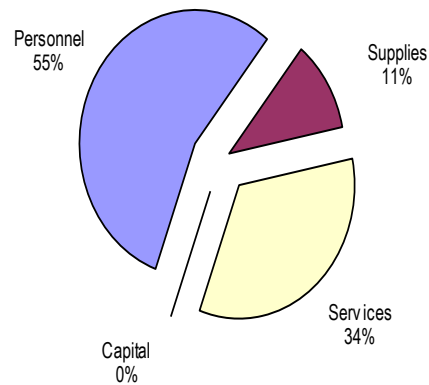
Removed Objectives

1. **Server Room A/C unit.** Existing unit requires constant maintenance and needs to be replaced. **\$15,000.**
2. **Police Gate Lock Operators.** Replace the existing operators on the two (2) police gates. The existing ones do not code and have needed several repairs. **\$34,000.**

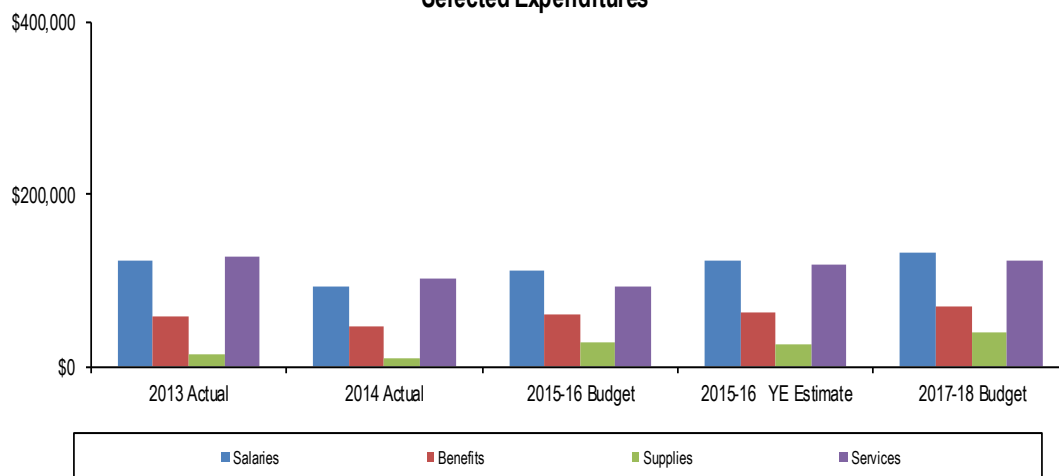
Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE YE Estimate	2019 Budget
Salaries	\$ 111,115	\$ 115,899	\$ 123,527	\$ 134,497	\$ 131,700
Benefits	59,605	59,679	63,598	69,586	68,550
Supplies	28,188	45,725	25,476	37,431	40,250
Services	92,088	88,271	117,789	813,387	122,475
Capital expenditures	10	-	-	-	-
Total expenditures	\$ 291,006	\$ 309,574	\$ 330,390	\$ 1,054,901	\$ 362,975

2019 Budget



Selected Expenditures



3. SPECIAL REVENUE FUND TYPE	123
Street Operating - Fund 101	125
Street Capital - Fund 102	136
State Drug Investigation - Fund 105	143
Federal Drug Investigation - Fund 106	145
Hotel-Motel Tax - Fund 107	147
Public Art Capital Projects - Fund 108	155
Park Development - Fund 109	160
Civic Center Debt Reserve - Fund 110	166
Strategic Reserve - Fund 111	168
Equipment Reserve - Fund 112	170
Capital Development - Fund 301	172
Capital Improvement - Fund 305	175
Impact Fee Trust - Fund 309	178
Hospital Benefit Zone Revenue - Fund 310	180

**SPECIAL REVENUE FUND
DESCRIPTION OF FUND TYPE**

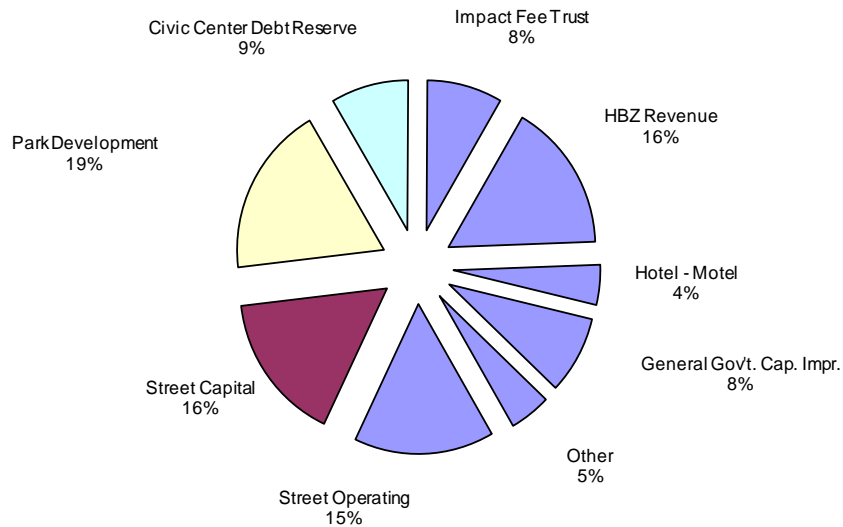
Special revenue funds are used to account for revenues derived from specific taxes or other sources that are designated to finance particular activities of the city.

These funds include Street Operating, Street Capital, State Drug Investigation, Federal Drug Investigation, Hotel - Motel Tax, Public Art Capital Project, Park Development, Civic Center Debt Reserve, Strategic Reserve, Equipment Replacement Reserve, General Government Capital Development, General Government Capital Improvement, Impact Fee Trust, and Hospital Benefit Zone Revenue.

Expenditures By Fund

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Street Operating	\$ 2,240,347	\$ 2,239,063	\$ 3,238,207	\$ 2,641,085	\$ 3,351,347
Street Capital	1,004,160	1,964,596	8,125,090	8,089,920	3,501,827
Drug Investigation State	8,349	8,387	8,411	8,511	6,849
Drug Investigation Federal	19,822	19,382	19,436	17,894	16,446
Hotel - Motel	609,530	716,398	852,414	899,077	939,595
Public Art Capital Projects	78,505	88,850	98,923	110,130	131,610
Park Development	4,333,149	3,784,996	3,690,977	8,022,029	4,011,045
Civic Center Debt Reserve	1,683,402	1,753,395	1,757,568	1,839,260	1,859,260
Strategic Reserve	558,811	581,250	662,933	750,579	513,579
Equipment Repl Reserve	210,867	221,788	271,788	321,788	321,788
Capital Development	918,855	1,235,788	1,769,448	2,122,191	896,991
General Gov't. Cap. Impr.	857,839	1,168,256	1,632,547	1,960,306	1,827,106
Impact Fee Trust	1,328,660	3,161,028	3,805,035	2,918,652	1,805,652
Hospital Benefit Zone Revenue	4,694,776	6,357,937	6,272,478	8,312,530	3,493,030
Total Special Revenue	\$ 18,547,072	\$ 23,301,114	\$ 32,205,255	\$ 38,013,952	\$ 22,676,125

2019 Budget



STREET DIVISION - OPERATING

DESCRIPTION OF FUNCTION

The function of the Streets Division - Operating is to provide a safe, functional, efficient and aesthetic transportation system for the movement of people, goods and services through efficient maintenance and construction of improvements to the city's streets, pedestrian corridors, and bicycle routes. The emphasis as a "pedestrian friendly" community is on preservation and enhancement of pedestrian access in the city's residential and commercial areas. More specifically, the functions performed through this fund include:

1. **City roadways.** Maintaining and improving the city's roadways, pedestrian corridors, and bicycle routes that may include the following activities:
 - Street maintenance and repair, including, pavement striping and markings, shoulder grading, chip seals, slurry seals, crack sealing and pavement patching/overlays/rehabilitation or other pavement treatments.
 - Inventory, monitor, and replace as necessary street signs to maintain compliance with federal, state, and local standards.
 - Street reconstruction.
 - Sidewalk and walkway construction, improvement and/or replacement.
 - Installing and maintaining street and pedestrian lighting and traffic control devices (signs and signals).
 - Snow removal and ice control.
 - Street tree maintenance where not the responsibility of the adjacent property owner or utility company.
 - Guardrail inspection and replacement.
 - Street cleaning including debris and litter removal.
 - Right-of-way encroachment permit issuance and inspection of activities within the right-of-way consistent with the provisions of city code and state law.
 - Administer the Adopt-a-Road program that provides an opportunity for community groups to volunteer their services to assist staff in removing debris and litter from city rights-of-way.
2. **Transportation system.** Developing a transportation system that balances the need for enhanced community and neighborhood livability with the need for safe and efficient access to commercial and employment centers for the movement of people, goods and services.
3. **Transportation options.** Preserving and enhancing multi-modal transportation options through cooperation and participation with other agencies in development of programs and projects.
4. **Funding.** Searching and applying for supplemental funding to support transportation system functions and objectives as identified in the adopted Comprehensive Transportation Plan and current Six-Year Transportation Improvement Program (TIP).

5. **Development review and inspections.** Reviewing and inspecting development proposals and projects for conformance with city standards, the Comprehensive Transportation Plan, both the Six-Year and Twenty-Year Transportation Improvement Programs (TIP), concurrency requirements, applicable State Environmental Policy Act (SEPA) mitigation and/or impact fee requirements, and accepted engineering and construction practices.
6. **Concurrency.** Managing the concurrency and traffic impact fee programs consistent with city codes.
7. **Fleet.** Maintenance of light and heavy-duty vehicles (including police) and off-road equipment owned and operated by the city, acquisition of new city vehicles and the resale of city vehicles that have reached the end of their useful life. This function also manages the purchasing, storing and distribution of fuels and automotive parts, contract and vendor management and other fleet related duties that support city operations.
8. **Comprehensive Transportation Plan.** Updating and implementing both the Six-Year and Twenty-Year Transportation Improvement Program (TIP) consistent with the city's Comprehensive Plan and Transportation Element (Comprehensive Transportation Plan), and annual budget.
9. **Capital Improvement Program.** Continue to work with federal, state, and local agencies (Pierce County, Kitsap County, Pierce Transit, and Tacoma Public Utilities), citizens, property owners, developers, elected officials, and Planning and Building to identify facility improvement needs, and develop and secure funding for construction of transportation facility improvement projects in accordance with both the city's Six-Year and Twenty-Year Transportation Improvement Program (TIP), Comprehensive Transportation Plan, and the city and funding agency requirements.
10. **Transportation Improvement Program.** Develop and implement the annual update to both the Six-Year and Twenty-Year Transportation Improvement Program (TIP), consistent with the Comprehensive Transportation Plan, and annual budget.
11. **Sidewalk restoration program.** Develop and implement a sidewalk maintenance program modeled on successful programs at other agencies and utilizing the current annual sidewalk inventory to identify and prioritize sidewalk sections needing repair and/or replacement.
12. **Traffic management.** Continue to work with the Gig Harbor Police Department, concerned citizens, business and property owners, and elected officials to identify, monitor, and resolve traffic control and parking issues.

13. **Pavement management system.** Continue to refine and utilize a pavement management system to classify needed maintenance activities for all city streets. The program will account for all annual repair and rehabilitation measures to be incorporated annually to extend the life of the city's pavement system.

STREET DIVISION - OPERATING
NARRATIVE OF GOALS 2019 – 2024

1. **Fleet maintenance.** Initiate a more comprehensive fleet maintenance program to perform routine maintenance activities and manage a maintenance management system for city-owned vehicles and equipment. This effort will be coordinated with an Equipment Rental and Revolving (ER&R) program developed by the Finance Department to better track equipment usage and costs, and to provide a systematic replacement mechanism. **2019 - 2024.**
2. **Sign inventory.** Continue to work on the GIS mapping system to include street name and directional signage. **2019 - 2024.**
3. **Annual transportation capacity availability and traffic model update.** As required per the city's municipal code, annually update the city-wide traffic capacity availability report and city-wide traffic model. **2019 - 2024.**
4. **Complete streets adoption.** Adopt and implement street construction standards, which promote the integration of both motorized and non-motorized forms of travel. **2019-2024.**
5. **Citywide street signage reflectivity program.** Develop and continue towards the adoption of the federally mandated change-out of all city signs and pavement markings to be compliant with new Manual on Uniform Traffic Control Devices (MUTCD) reflectivity standards. **2019 - 2024.**
6. **Neighborhood traffic calming policy.** Develop a policy for adoption by the council that will provide guidance to citizens regarding traffic calming strategies for city neighborhoods. **2019 – 2024.**
7. **Streetscapes.** Maintain existing street planters and landscape improvements and provide additional weed control techniques. Enhance city entrances with additional landscape improvements. **2019 - 2024.**
8. **City-wide Pavement Management Program.** In combination with city and consultant staff, complete a city-wide survey and rating system in the city's major roadways. The results will be used in prioritizing city streets for overlays, chip seals and grant funding opportunities. **2019 - 2024.**
9. **Regulatory Signing and Striping Evaluation and Upgrades.** Field assessment of existing signing and striping installations with modification as necessary to ensure consistency with standards. **2019 – 2024.**
10. **Speed Limit Evaluations.** Perform engineering and traffic investigations as necessary to reevaluate or establish speed limits in accordance with RCW 46.61.415 (WAC 468-95-045). **2019 - 2024.**

11. **Roadway Shoulder Maintenance Program.** Develop and institute a periodic and routine roadway shoulder maintenance program utilizing the Interlocal Agreement with Pierce County. **2019 - 2024.**
12. **ADA City Sidewalk and Curb Access Ramp Transition Plan.** Complete the inventory of all the City's sidewalks and ramps, and formally adopt the ADA transition plan. Continue the conversation of the non-compliant intersection curb ramps. **2019 - 2024.**
13. **Update Federal Functional Classification Roadway Update.** Annually analyze and update the city's roadway classification through WSDOT. **2019 – 2024.**
14. **Cushman Trail Non-Motorized Connections.** Promote non-motorized connections to the Cushman Trail to promote connectivity between the trail and parks, schools, adjacent neighborhoods, and businesses. **2019-2024.**
15. **Maintain roadway facilities to achieve the City's intersection Level of Service standards.** Continue to require traffic impact mitigation to intersections and or streets, when a proposed development would degrade an intersection and streets below the City's adopted Level of Service for that intersection and street segment. **2019-2024.**

**STREET DIVISION - OPERATING
NARRATIVE OF OBJECTIVES 2019**

Mayor & Department Supported Objectives

1. **ADA Self-Evaluation & Transition Planning Program.** Complete and Adopt the Public Works ADA Transition plan and allocate monies to continue the replacement of the non-conforming curb ramps. **\$150,000.**
2. **Seasonal Hire.** Hire eight (8) seasonal help with work in parks, streets, water and storm. **Wages - \$123,000 (Parks \$61,500, Streets \$24,600, Water \$12,300, Storm \$24,600).**
3. **On-Call Transportation Engineering Assistance.** Utilize the services on an on-call professional traffic engineer to address various issues that are in need of a solution when City Staff are not available or do not have the resources. The majority of this expenditure is pass through monies funded by the developer \$25,000 and the remainder, \$15,000, is City expenditure. **\$40,000.**
4. **Cartegraph OMS Enterprise Platform Licensing.** Continue to operate the existing Public Works citizen request work order and advanced asset management software for the City's facilities, public spaces and infrastructure. Enterprise Platform includes Cloud Shared Hosting subscription and support for 55 users and includes advance user tools providing the City to create custom assets in-house. This licensing integrates Cartegraph with Esri GIS services to use location to make data more useful and accurate. **\$29,775 (Parks \$5,955, Streets \$5,955, Water \$5,955, Storm \$5,955, Wastewater \$5,955).**
5. **Annual Pavement Maintenance and Repair Program.** Perform pavement repair on 45th St Ct. This street is approximately 1,100 ft. long and includes required ADA improvements. **\$500,000.**
6. **Public Works Standards Update.** Hire a consultant to assist Staff with a comprehensive update to the City's Public Works Standards. **\$30,000.**
7. **Radar Speed Signs.** Purchase two additional radar speed signs to inform drivers of their current speed and collect unofficial speed data. These signs will be placed at various locations throughout the City. **\$10,000.**
8. **Gutter Replacement.** Install gutters/downspouts at Little League Fields announcer/well house building and restrooms/snack shack building. PW Maintenance building, Crescent Park well house, Veteran's Memorial Park restroom and pavilion, Maritime Pier restroom. **\$12,700 (Parks \$8,994, Street \$530, Water, \$2,646, Storm \$530).**

Removed Objectives

1. **Public Works Facility Security.** Add security cameras to monitor perimeter of buildings and property. **\$5,000 (Parks \$1,250, Street \$1,250, Water \$1,250, Storm \$1,250).**

**STREET DIVISION - OPERATING
CAPITAL OUTLAY 2019**

Mayor & Department Supported Capital Outlay

1. **Replace Side Mower for Tractor.** This capital outlay will replace the side mowing unit only and does not require the entire tractor to be replaced. **\$105,000 (Parks \$26,250, Streets \$26,250, Water \$26,250, Storm \$26,250).**
2. **New Ford F550 3-yard dump truck.** Due to increased amount of City infrastructure an additional 3-yard dump truck is necessary to complete the City's work. **\$75,000 (Parks \$18,750, Streets \$18,750, Water \$18,750, Storm \$18,750).**
3. **New Dump Trailer.** This trailer will reduce the demands and wear/tear on the larger, more expensive equipment. **\$12,000 (Parks \$3,000, Streets \$3,000, Water \$3,000, Storm \$3,000).**
4. **New Service Truck with crane, generator, air compressor.** Due to increased amount of City infrastructure and equipment a new service truck is necessary to complete the City's work. **\$120,000 (Parks \$20,000, Streets \$20,000, Water \$60,000, Storm \$20,000).**
5. **Replace Four (4) Variable Message Signs.** The City currently operates seven (7) variable message signs. This objective proposes to replace the four (4) oldest of the signs, which are nine (9) years old and costing a significant amount of staff time and parts to maintain. **\$85,000 (Parks \$17,000, Streets \$17,000 Water \$17,000, Storm \$17,000, Wastewater \$17,000).**
6. **Replace 1999 Ford F450 Flatbed Truck (#1024).** This truck is currently used for placing de-icer. The running gear has significantly deteriorated and must be replaced. **\$42,300 (Parks \$10,575, Streets \$10,575, Water \$10,575, Storm \$10,575).**
7. **New Tow-Behind Rotary Broom.** This equipment would reduce the number of hours the City annually logs on the City's costly regenerative air vacuum sweeper. **\$30,000.**

Removed Capital Outlay

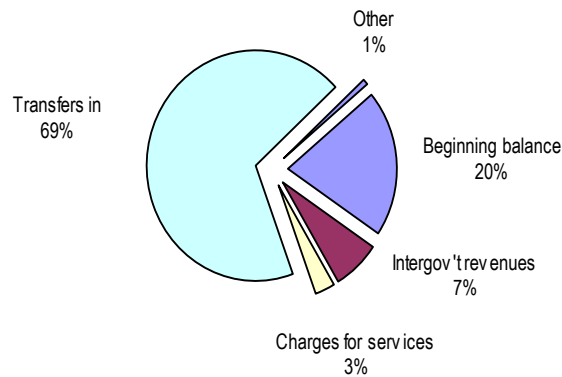
1. **Replace 2008 Chevrolet Silverado 1500 (#2015) with Chevrolet Volt Electric Vehicle.** This vehicle has about 102,000 miles and annual maintenance costs continue to mount. **\$35,500 (Parks \$8,875, Streets \$8,875 Water \$8,875, Storm \$8,875).**

Total Street Capital Outlay is \$125,575

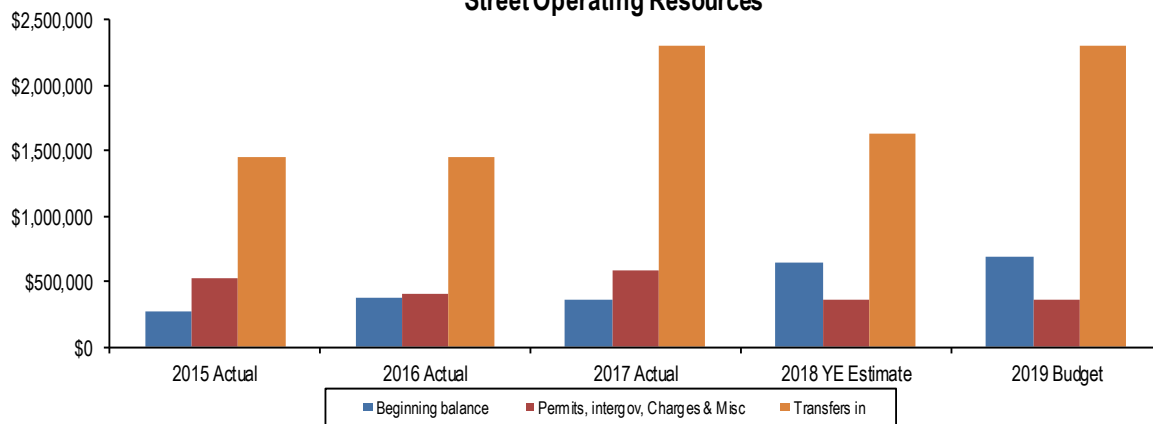
Resources

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Beginning balance	\$ 265,748	\$ 378,287	\$ 353,565	\$ 643,006	\$ 689,790
Licenses & permits	20,875	21,485	19,597	29,074	20,000
Intergov't revenues	168,260	193,358	206,028	229,003	235,874
Charges for services	323,891	194,834	355,445	95,809	98,683
Miscellaneous	11,573	1,099	(940)	8,799	7,000
Transfers in	1,450,000	1,450,000	2,300,000	1,633,000	2,300,000
Other	-	-	4,512	2,394	-
Total revenues	1,974,599	1,860,776	2,884,642	1,998,079	2,661,557
Total resources	\$ 2,240,347	\$ 2,239,063	\$ 3,238,207	\$ 2,641,085	\$ 3,351,347

2019 Budget



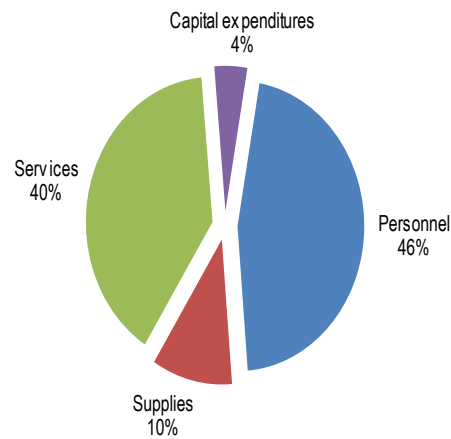
Street Operating Resources



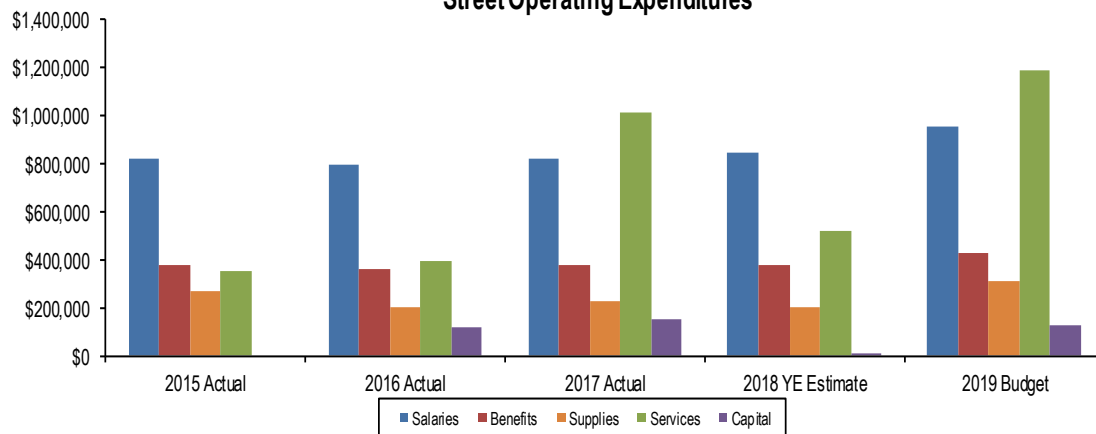
Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Salaries	\$ 824,569	\$ 799,136	\$ 822,226	\$ 849,967	\$ 951,200
Benefits	374,163	363,065	376,461	381,309	427,175
Supplies	268,029	201,858	228,188	199,706	308,109
Services	351,710	395,253	1,014,217	515,985	1,188,440
Capital expenditures	-	120,686	154,109	4,328	125,575
Total expenditures	1,818,471	1,879,998	2,595,201	1,951,295	3,000,499
Ending balance	421,876	359,065	643,006	689,790	350,848
Total uses	\$ 2,240,347	\$ 2,239,063	\$ 3,238,207	\$ 2,641,085	\$ 3,351,347

2019 Budget



Street Operating Expenditures



CITY OF GIG HARBOR																					
CITY PROJECT / EQUIPMENT / MATERIALS REQUEST FORM																					
This form should be completed and submitted for any budget requests for projects completed by City-forces, new equipment, and/or new materials. Each form should be prioritized by each department and/or fund, with no two requests having the same priority number.																					
Project Title:		Seasonal Hire																			
Department:	Public Works	Fund(s):	Street Operating - 101																		
2019 Cost:		Priority:																			
\$ 123,000.00			1																		
Does this respond to a Council goal:		Department																			
Yes <input type="checkbox"/>		No <input type="checkbox"/>																			
If yes, describe goal location:																					
Description of Request:																					
Hire eight (8) seasonal help with work in parks, streets, water and storm.																					
Advantage of Approval / Implication of Denial:																					
More help in our busy season to help catch up on mowing and trimming and building repair.																					
Alternatives (Delaying Funding / Partial Funding):																					
Continue to fall behind on gardening and building maintenance.																					
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center; padding: 5px;">2019 Associated Costs</th> </tr> </thead> <tbody> <tr> <td style="width: 30%; padding: 5px;">Wages</td> <td style="padding: 5px;">\$ 123,000.00</td> </tr> <tr> <td style="padding: 5px;">Benefits</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="padding: 5px;">Equipment</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="padding: 5px;">Materials</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="padding: 5px;">Services</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="padding: 5px;">Consultant</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="padding: 5px;">Other</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="padding: 5px;">Total</td> <td style="padding: 5px;">\$ 123,000.00</td> </tr> </tbody> </table>				2019 Associated Costs		Wages	\$ 123,000.00	Benefits		Equipment		Materials		Services		Consultant		Other		Total	\$ 123,000.00
2019 Associated Costs																					
Wages	\$ 123,000.00																				
Benefits																					
Equipment																					
Materials																					
Services																					
Consultant																					
Other																					
Total	\$ 123,000.00																				
One Time Expense: <input type="checkbox"/>		Continuous Funding Request: <input checked="" type="checkbox"/>																			
Continuous Funding Amount = 123K /year																					
Funding Source Description:																					
(Parks - \$61,500, Street - \$24,600, Water - \$12,300, Storm - \$24,600)																					

STREET DIVISION - CAPITAL
DESCRIPTION OF FUNCTION

This fund accumulates resources for major street capital projects and accounts for their purchase, construction and financing. Sources of revenue for the fund include general fund contributions, grants, and private contributions.

STREET DIVISION - CAPITAL
NARRATIVE OF GOALS 2019 – 2024

1. **Transportation Improvement Plan Implementation.** From the results of the recently completed “Connect the Gig” City-wide transportation plan update, prioritize and construct the necessary capital and operational improvements. **2019-2024.**
2. **Transportation Level of Service and Capacity Improvements.** Continue to maintain and update the City’s intersection level of service and roadway capacities and construct those capital projects that will help alleviate intersection and/or intersection leg improvements. **2019-2024.**
3. **ADA Transition Plan.** Formally complete and adopt an ADA transition plan related to the replacement of non-compliant City curb ramps. Complete the inventory of city wide intersection curb ramps, prioritize, fund and construct the replacement curb ramps that are non-compliant. **2019-2024**
4. **Public Works Maintenance Facility Site Plan Design and Construction.** Replace the antiquated maintenance facility with a functional facility to include provisions for meeting space, additional staff parking, sewer connection, equipment and material storage, administrative functions, staff areas, and a decant facility. **2019 – 2020.**
5. **50th Street Extension.** Pursue and secure funding to complete the construction of pavement, curb, gutter, sidewalk, and lighting improvements between Veteran’s Memorial Park and 38th Avenue. **2020 – 2022.**
6. **38th Avenue Improvements – Phase 1A.** Design, permit, and construct roadway, sidewalk and bike lane improvements and related stormwater facilities along 38th Ave. between city limits and Hunt Street in a multi-phase project. **2019 – 2024.**
7. **Grandview Street Improvements - Phase I & II.** Construct pavement, curb, gutter, lighting, and sidewalks on both sides of Grandview Street between Stinson Avenue and Pioneer Way and also between Soundview Drive and the Civic Center. **2019 – 2024.**
8. **Stinson Ave Corridor Improvements (Grandview to Harborview Drive).** Design, permit and construct a series of corridor improvement projects between Harborview Dr. and Grandview. Improvements consist of the following: Stinson/Rosedale roundabout, Stinson/Harborview Dr. roundabout. Improvements along Stinson will consist of an HMA overlay and upgrade the existing non-compliant curb ramps to ADA standards. This project will occur after completion of the watermain replacement in Stinson Avenue. The city has received a pavement preservation grant for the HMA overlay in the amount of \$515,000. The City is required to utilize this grant no later than the end of 2019 or the City will lose this grant. **2019-2024.**

-
9. **Borgen/Burnham Drive/SR 16 Long-Term Improvements.** Continue to monitor current traffic volumes at this interchange as recommended in WSDOT's completed SR 16 Corridor Congestion Relief Study, and work on financial opportunities towards funding the long-term improvements, including ramp metering on the Burnham approach to the SR16/Burnham/Borgen roundabout. **2021 – 2024.**
 10. **Wollochet Drive/Wagner Way Intersection.** Re-evaluate the proposed intersection improvements based on the 2018 consultant study and reconsider as part of the 2020 Budget. **2020.**
 11. **Borgen Boulevard Street Lighting between Burnham and 51st to lower roundabout.** Install street lighting on Borgen Boulevard. **2019 – 2022.**
 12. **Electric Vehicle Charging Stations.** Install more Level 2 vehicle charging stations. **2020-2021.**
 13. **SR 16 Corridor Congestion Relief.** Continue to Lobby the State and Federal Legislatures for continued support and monies continue the SR-16 congestion relief study, identify preferred east/west connections across SR-16, and obtain the necessary construction funds to fund these corridor relief projects, including the future Hunt St/SR-16 overcrossing. **2019 – 2024.**

STREET DIVISION - CAPITAL
NARRATIVE OF OBJECTIVES 2019

Mayor & Department Supported Objectives

1. **Public Works Operations Center – Site Development.** Review and finalize the site design then construct the frontage improvements and site civil improvements related to Well #11 and the new Public Works Operations Center. **\$1,980,000 (Parks \$396,000, Streets \$396,000, Water \$990,000, Storm \$198,000).**
2. **Public Works Operations Center – Building Design and Permitting.** Complete the building design and building permitting of the new Public Works Operations Center. **\$220,000 (Parks \$62,333, Streets \$62,333, Water \$33,000, Storm \$62,333).**
3. **Stinson Avenue Pavement Overlay and Pedestrian Improvements (Grandview to Rosedale).** Complete the design, permitting, and construction of approximately 2,700 LF of pavement overlay along Stinson Avenue between Rosedale Street and Pioneer Way. The project will provide an HMA overly, and upgrade the existing non-compliant curb ramps to ADA standards. This project will occur after completion of the watermain replacement in Stinson Avenue. The city's pavement preservation grant from PSRC must be obligated by June 2019. **\$750,000 (\$515,000 PSRC pavement preservation grant, \$235,000 general fund).**
4. **Stinson / Rosedale Intersection Improvements.** Complete the design, permitting, right-of-way acquisition, and construction of intersection improvements. Funding is from the City's Transportation Impact Fee fund. **\$500,000.**
5. **Stinson / Harborview Intersection Improvements.** Request funding for design only and pursue State grants to assist with funding construction. **\$150,000.**
6. **Street Lights on Borgen Boulevard.** Install three (3) 30' street lights along the north side of Borgen Boulevard between 51st Ave and Harbor Hill Drive. This area has already been developed without street lights. **\$31,500.**
7. **Street Lights on Borgen Boulevard.** Install three (3) 30' street lights along the north side of Borgen Boulevard between the Cushman powerline crossing and 51st Ave. This area has already been developed without street lights. **\$31,500.**
8. **Street Lights on Borgen Boulevard.** Install five (5) 30' street lights along the south side of Borgen Boulevard between the Cushman powerline crossing and 51st Ave. This area has already been developed without street lights. **\$52,500.**
9. **38th Avenue Improvement Project – Phase 1A.** Update the existing survey information and complete the design and permitting associated with approximately 2,000 LF of street corridor improvements along 38th Avenue consisting of bike lanes,

sidewalk, planter strip and pedestrian lighting on the east side between the City limits and Briarwood Lane. This project includes the first phase of improvements to provide pedestrian safety in City limits leading to two schools located just outside City limits. This phase will require coordination with Pierce County to continue improvements to the schools. **\$750,000 (\$250,000 DOE grant and \$500,000 general fund).**

10. **Burnham/Borgen Interchange Wetland Mitigation Final Assessment and Reporting.** Perform and complete a ten year and final annual tree and vegetation survey of the Burnham Dr. wetland mitigation site. This site was created to mitigate the interchange impacts that were created by the interchange improvements completed in 2008. **\$25,000.**

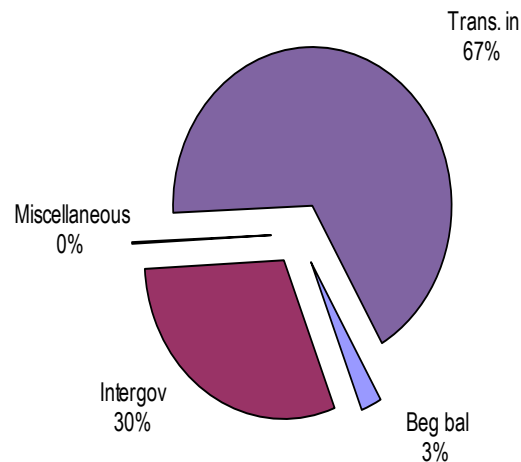
Removed Objectives

1. **Soundview / Hunt Intersection Improvements.** Design a roundabout and pedestrian upgrades. **\$150,000.**
2. **Olympic/32nd Ave Intersection Improvements:** Design, permit, and construct intersection improvements to allow the improved larger vehicle and truck turning movement at this intersection. **\$750,000.**
3. **Wagner / Wollochet Intersection Improvements.** Construct intersection improvements at this intersection at Wollochet Drive and Wagner Way. **\$970,000. (\$80,000 in remaining SEPA developer contributions and \$890,000 in local funds).**

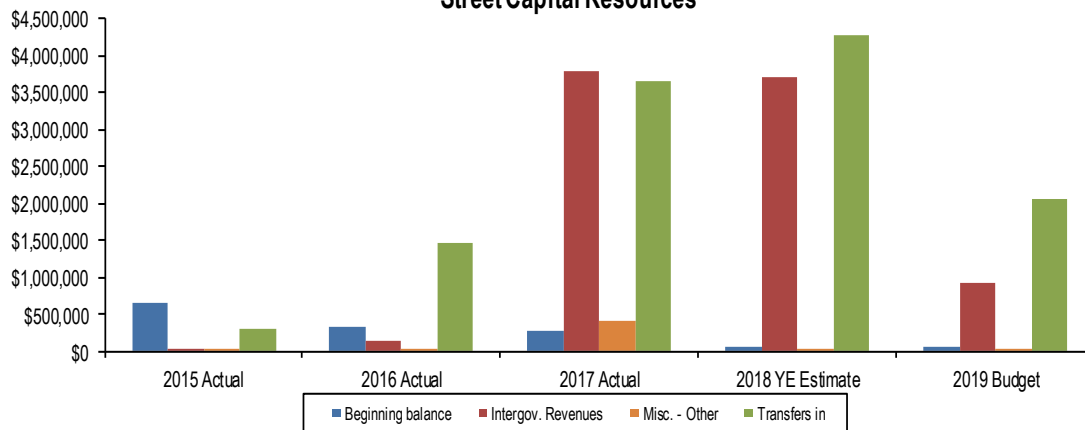
Resources

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Beginning balance	\$ 661,239	\$ 327,826	\$ 270,833	\$ 65,229	\$ 72,994
Intergov't revenues	24,884	136,117	3,796,771	3,708,662	915,000
Charges for services	-	-	-	-	-
Miscellaneous	8,037	25,537	410,451	38,656	5,000
Transfers in	310,000	1,475,116	3,647,035	4,277,373	2,050,500
Total revenues	342,921	1,636,770	7,854,257	8,024,691	3,428,833
Total resources	\$ 1,004,160	\$ 1,964,596	\$ 8,125,090	\$ 8,089,920	\$ 3,501,827

2019 Budget



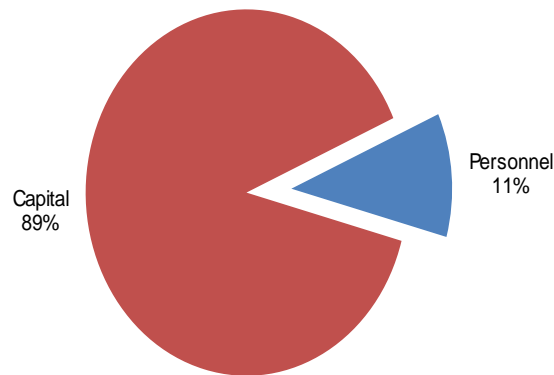
Street Capital Resources



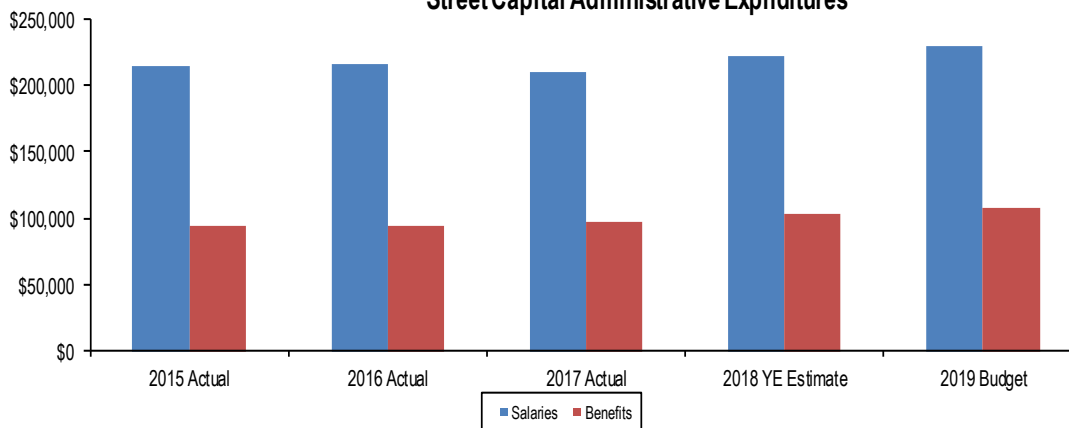
Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Salaries	\$ 215,333	\$ 216,712	\$ 210,813	\$ 222,768	\$ 229,000
Benefits	93,720	93,776	97,633	103,170	107,700
Services	-	-	-	-	-
Capital expenditures	367,281	1,383,275	7,748,541	7,457,988	2,748,833
Total expenditures	676,334	1,693,763	8,056,987	7,783,926	3,085,533
Ending balance	327,826	270,833	68,103	305,994	416,294
Total uses	\$ 1,004,160	\$ 1,964,596	\$ 8,125,090	\$ 8,089,920	\$ 3,501,827

2019 Budget



Street Capital Administrative Expenditures



STATE DRUG INVESTIGATION FUND
DESCRIPTION OF FUNCTION

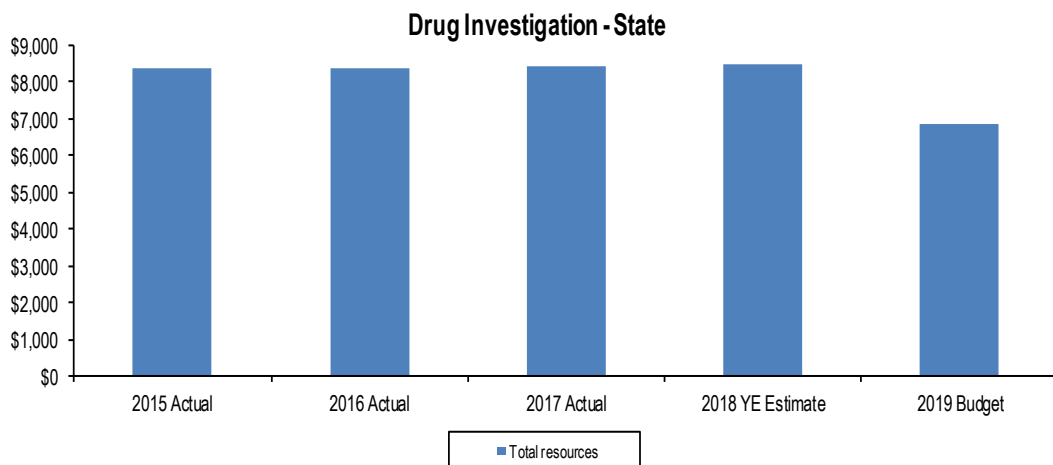
Proceeds from the sale of property seized during drug investigations and forfeited pursuant to state law are accumulated in this fund. These monies are used to pay for overtime, equipment and supplies related to drug investigations and related activities.

Resources

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Beginning balance	\$ 8,185	\$ 8,349	\$ 8,387	\$ 8,411	\$ 6,729
Fines & forfeits	152	-	-	-	-
Miscellaneous	12	38	24	100	120
Total revenues	164	38	24	100	120
Total resources	\$ 8,349	\$ 8,387	\$ 8,411	\$ 8,511	\$ 6,849

Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Services	-	-	-	1,758	1,758
Intergov't charges	-	-	-	-	-
Total expenditures	-	-	-	1,758	1,758
Ending balance	8,349	8,387	8,411	6,753	5,091
Total uses	\$ 8,349	\$ 8,387	\$ 8,411	\$ 8,511	\$ 6,849



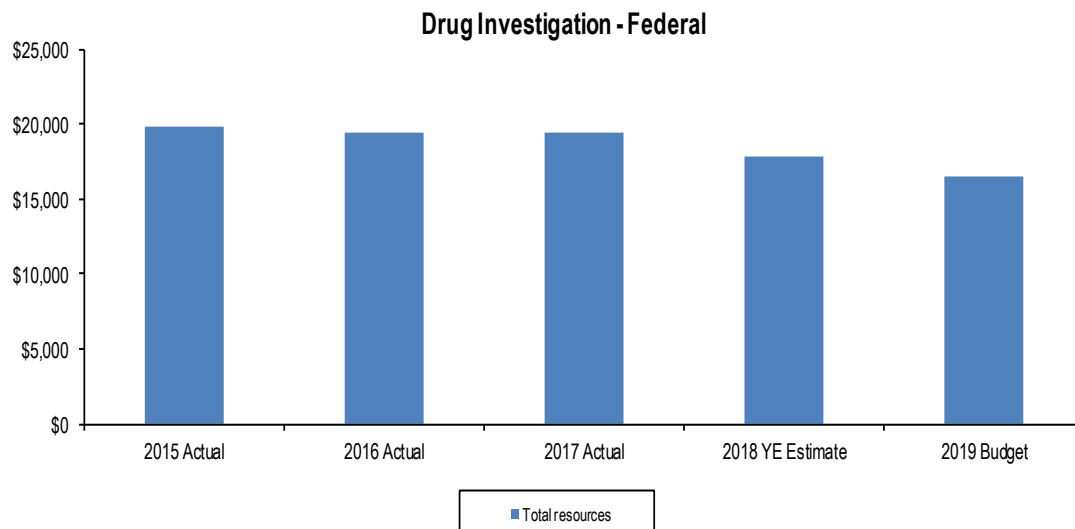
**FEDERAL DRUG INVESTIGATION FUND
DESCRIPTION OF FUNCTION**

Proceeds from the sale of property seized during drug investigations and forfeited pursuant to federal law are accumulated in this fund. These monies are used to pay for overtime, equipment and supplies related to drug investigations and related activities.

Resources					
	2015	2016	2017	2018	2019
Category	Actual	Actual	Actual	YE Estimate	Budget
Beginning balance	\$ 19,794	\$ 19,298	\$ 19,382	\$ 17,678	\$ 16,136
Miscellaneous	28	84	54	216	310
Total revenues	28	84	54	216	310
Total resources	\$ 19,822	\$ 19,382	\$ 19,436	\$ 17,894	\$ 16,446

Expenditures By Type

	2015	2016	2017	2018	2019
Category	Actual	Actual	Actual	YE Estimate	Budget
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
Supplies	524	-	-	-	-
Services	-	-	1,758	1,758	1,750
Intergov't charges	-	-	-	-	-
Capital	-	-	-	-	-
Total expenditures	524	-	1,758	1,758	1,750
Ending balance	19,298	19,382	17,678	16,136	14,696
Total uses	\$ 19,822	\$ 19,382	\$ 19,436	\$ 17,894	\$ 16,446



HOTEL – MOTEL TAX FUND
DESCRIPTION OF FUNCTION

The lodging tax is imposed by the city upon the sale or the furnishing of lodging. Revenues generated by this tax may be used solely for paying for tourism promotion and operating expenditures of tourism-related facilities owned and operated by a non-profit organization.

The Tourism & Communications Director is responsible for managing the city's lodging tax fund. This involves keeping all records of expenditures, contracts and partnerships.

The Tourism & Communications office will annually prepare and implement a marketing and advertising plan and budget that promotes tourism and lodging activities with focus on meetings market, off-season travel and group travel. Continue efforts set forth in the Tourism Strategic Plan including the branding of community, advertising, maintenance of the official city visitor and meeting planner website, creation and distribution of official visitor guide, maintenance of photo library and presentation of Gig Harbor at tradeshow to tour operators and convention planners. This office is the staff contact for the Lodging Tax Advisory Committee.

The Tourism & Communications office serves as the contact for media requests for information. This includes creation and distribution of press kits, press releases for both tourism and city issues and topics, management of tourism website, eNewsletter and social media accounts, and assist the City Administrator or Chief of Police for city public information in an emergency.

The Tourism & Communications Office shall provide community outreach for the city and its functions and work directly with public requests for visitor information on Gig Harbor including fulfillment of all web, phone and mail requests for information. Collaboratively manage the visitor information center functions at the Gig Harbor Chamber of Commerce and Skansie House locations, by providing materials and volunteer training. The Director shall serve as liaison for the Gig Harbor community, its organizations, committees and businesses to other area tourism, economic development and marketing organizations throughout the region and state.

HOTEL – MOTEL TAX FUND
NARRATIVE OF GOALS 2019 - 2024

1. **Promote identity.** Promote and enhance awareness of Gig Harbor as a charming and authentic maritime community by creating and maintaining a marketing image and brand through a comprehensive tourism website, highly visible travel advertising, editorial media in publications, radio and television presence and collateral materials.
2. **Provide visitors and residents information and services to capitalize on Gig Harbor/Peninsula amenities.** Maintain the City Tourism & Communications office. Provide signage and interpretive information throughout the city that relates to brand image. Maintain city visitor information kiosks around town, including the pedestrian friendly digital kiosk at the Welcome Plaza at Jerisich Dock. Utilize local communication avenues (especially real-time marketing to react quickly to events and news happening online) to promote Gig Harbor events and attractions to residents within the greater Pierce County area. Utilize words such as “What’s Happening Tonight” for social media marketing.
3. **Capture a larger share of the Northwest regional market.** Target everything within a three-hour drive radius for recruitment of tours, sport travelers, conventions, eco-tourism, seminars, retreats, families, couples and weddings. Continue to focus on off-season building of “heads-in-beds” in hotels through development of a new seasonal promotional campaign, local amenities, conventions, events, hobby groups, activities and travel packages. Continue to promote year-round reasons to visit Gig Harbor. Attend conventions to promote Gig Harbor to tour operators and meeting planners and learn new ideas and better ways to be successful. Target Meeting Planners International and Washington State Association of Executives for roles available to bring more awareness to Gig Harbor.
4. **Partner with local and regional groups to capitalize on existing programs and to create a stronger, more viable voice on tourism, marketing and economic development related issues.** Promote collaborative and assessable outcomes with local organizations such as the Gig Harbor Chamber of Commerce, the Harbor History Museum, the Peninsula Art League, the Gig Harbor Downtown Waterfront Alliance, the Tacoma Regional Convention and Visitors Bureau, South Sound Sports, Association of the United States Army, the Seattle Convention and Visitors Bureau, the Tacoma and Pierce County Economic Development offices, the Washington Tourism Alliance, the Tacoma Narrows Airport and other non-profit community programs and issues of importance.

HOTEL – MOTEL TAX FUND
NARRATIVE OF OBJECTIVES 2019

The following projects will be funded and managed through the marketing department. The Tourism & Communications Director will work directly with outside groups when necessary. Funding support may be provided for those projects approved by the Tourism & Communications Director that are in keeping with long term goals and strategic plan, to assist with external marketing efforts.

1. **Marketing & Advertising fund.** The objective of this fund is to promote and market the greater Gig Harbor area in 2019 through our state visitor guide, print advertising, online advertising, website development and/or enhancement, social media, brochure distribution, event promotion and trade shows. This fund focuses on group meetings, leisure traveler, and group travel. Included is professional photography and professional graphic design. **\$70,300 – 2019.**
2. **Seasonal Promotion Campaign.** Through use of mobile application, social media and/or graphic design, capitalize on Gig Harbor's unique attractions and events to promote off-season visitors. This would be a focused campaign (examples include 'What's Happening Tonight' or 'Ale Trail') with launch and heavy emphasis during the shoulder and off-season 2019. **\$20,000 – 2019.**
3. **Independent Film Location Campaign.** Promote Gig Harbor to regional filmmakers for purposes of film creation and promotion. **\$5,000 – 2019.**
4. **Support to the Tacoma Pierce County Convention and Visitors Bureau.** Continue partnership with the Tacoma Pierce County CVB to capitalize on shared resources for leisure travel, tour operators, group meetings, small conventions, public relations, advertising and promotion opportunities. **\$10,000 - 2019.**
5. **Support to the Tacoma South Sound Sports.** Continue to expand the work we began by partnering with the Tacoma Sports Commission. Capitalize on opportunities to draw overnight visitors through sporting events to include Paddlers Cup with intent to introduce a new event in spring 2019 consisting of an open water swim. Use group as resource for future planning of sports complex. **\$7,000 – 2019.**
6. **Support to the Kitsap Peninsula Visitor and Convention Bureau.** Partner with Kitsap VCB on web marketing efforts, collaboration on corporate traveler, sport traveler, National Park Service water trails, and leisure traveler campaigns. **\$5,000 – 2019.**
7. **Harbor WildWatch VIC Partnership Program.** Contribute to Harbor Wildwatch in return for staffing at the Visitor Information Center at Skansie on weekends throughout the year. **\$2,000 – 2019.**

8. **Gig Harbor Farmers Market** – Contribute to the Downtown Waterfront Alliance’s Waterfront Farmers Market effort in return for marketing of www.gigharborguide.com at the information booth at the weekly market. **\$5,000 - 2019.**
9. **Harbor History Museum** - Sponsorship of the special exhibition “Bomber Boys: Portraits from the Front,” a World War II exhibit based on the collection of a man from Gig Harbor who served with the real-life bomb group featured in the classic novel CATCH-22. **\$7,500 - 2019.**
10. **Pierce Transit** – Contribution for Get Around Gig Harbor Trolley operation. **\$25,000 – 2019.**
11. **General Fund salary contribution.** Percentage of General Fund contribution to Tourism & Communications Director and Assistant salary for 2019: **50% - 2019.**
12. **Floating Fuel Dock Conceptual Design and Feasibility.** Public and State agency outreach, and conceptual design and feasibility for a floating fuel dock in Gig Harbor Bay. **\$35,000.**

Removed Objectives

1. **Public Relations Consultant.** Public Relations and media exposure for meeting market and leisure travelers to include building of itineraries for and hosting travel writers. **\$10,000 - 2019.**
2. **Tiger Oak Media.** Advertising in the meeting industry publication under the name of Northwest Meetings & Events. Originally requested by a hotelier in 2015, this advertising targets meeting planners throughout the northwest. **\$1,500 - 2019.**
3. **Print Advertising.** Presence in the annual Tacoma Regional Convention & Visitor Bureau Visitor Guide and Meeting Guide. **\$10,010 - 2019.**
4. **Online Advertising.** Presence on the South Sound Wedding & Event website. **\$1,000 - 2019.**
5. **Print city map.** Creation and printing of city limit detail map. **\$2,000 - 2019.**

**HOTEL – MOTEL TAX FUND
CAPITAL OUTLAY 2019**

Movie Screen. Replace existing screen used for summer movies. **\$6,000**

Total Capital Outlay is \$6,000.

CITY OF GIG HARBOR

STAFF ADJUSTMENT REQUEST FORM

A Staff Adjustment Request form should be completed and submitted for any budget requests for Staff Adjustments. Staff Adjustment Requests should be prioritized by each position with no two requests having the same priority number.

Position Title:		Department:	Fund:
Tourism & Communications Administrative Assistant		Hotel-Motel	107
Salary Range From:	Salary Range To:	Change Date:	January 2, 2019
\$ 4,325	\$ 5,406	Department Contact:	Wade Farris
Request to Reclassify a Postion		Priority:	1

Description of Request:

This request is to reclassify the existing Tourism & Communications Administrative Assistant to full time status. The position is a support position to the Tourism and Communications Director. This position manages all clerical duties including websites and information requests, both online and by phone. The increased workload that will fall upon the office in 2019 will classify it in line with other support positions in the City of Gig Harbor and with similar positions of nearby agencies.

Advantage of Approval / Implication of Denial:

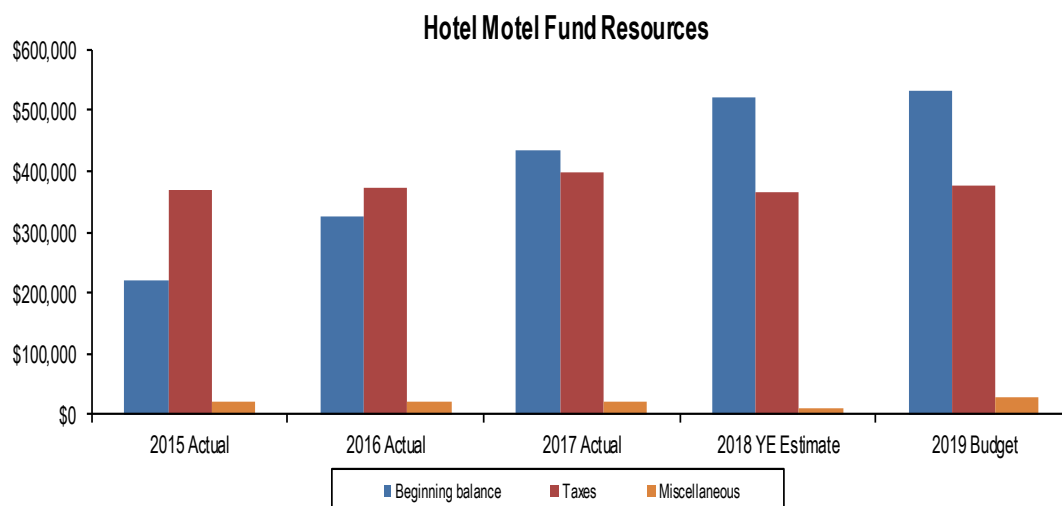
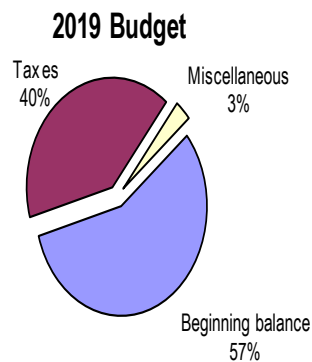
Alternatives (Delaying Funding / Partial Funding):

	2019 Annual Costs
Wages	\$ 25,228.00
Benefits	\$ 19,063.00
Total	\$ 44,291.00

Funding Source Description:

The above amount is the increase for 2019. 50% General Fund and 50% Tourism Fund for 2019

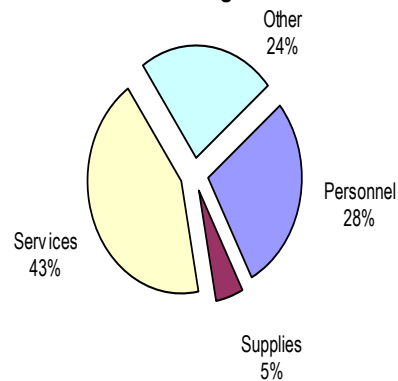
Category	Resources				
	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Beginning balance	\$ 220,669	\$ 324,262	\$ 434,646	\$ 521,237	\$ 532,962
Taxes	369,477	372,257	396,738	366,634	377,633
Miscellaneous	19,384	19,879	21,030	11,206	29,000
Transfers in	-	-	-	-	-
Total revenues	388,861	392,136	417,768	377,840	406,633
Total resources	\$ 609,530	\$ 716,398	\$ 852,414	\$ 899,077	\$ 939,595



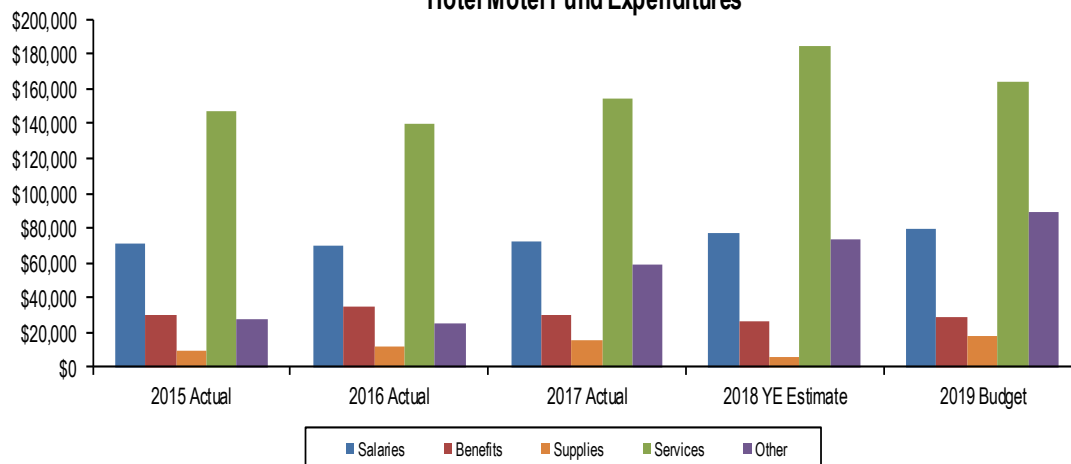
Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Salaries	\$ 70,826	\$ 69,835	\$ 72,850	\$ 76,657	\$ 79,200
Benefits	29,740	34,307	29,491	25,837	28,400
Supplies	9,251	12,261	15,567	5,265	18,000
Services	147,538	140,349	153,919	184,306	164,000
intergov	27,913	25,000	40,000	50,000	25,000
Capital	-	-	19,350	24,050	64,000
Total expenditures	285,268	281,752	331,177	366,115	378,600
Ending balance	324,262	434,646	521,237	532,962	560,995
Total uses	\$ 609,530	\$ 716,398	\$ 852,414	\$ 899,077	\$ 939,595

2019 Budget



Hotel Motel Fund Expenditures



PUBLIC ART CAPITAL PROJECTS
DESCRIPTION OF FUNCTION

This fund, established in 2004, will be used to accumulate unspent appropriations of the Arts Commission Project Support Program. The funds accumulated in this fund will be used for Public Art Capital Projects as recommended by the Arts Commission and approved by the City Council.

ARTS COMMISSION
DESCRIPTION OF FUNCTION

The Arts Commission is responsible to the Mayor and Council for providing arts and cultural leadership and to act as advocates for the development of arts and cultural activities for the benefit of Gig Harbor's citizens. The Commission also collaborates with local, regional and national organizations to increase artistic, historic and cultural tourism in Gig Harbor.

**ARTS COMMISSION - OPERATING
NARRATIVE OF GOALS 2019 – 2024**

1. **Addition of Arts + Culture Element to Comprehensive Plan.** In 2019, the Arts Commission proposes the addition of a separate, stand-alone Arts + Culture Element in the Comprehensive Plan. The Commission submitted a draft element to the Planning Department in June 2018, following input from a citizens advisory committee. As part of our research for the new element, we conducted an on-line survey to gauge the public's feelings about arts and culture. More than 900 people responded to the survey and indicated strong support and interest in arts and culture experiences and activities in our community. A summary of survey results is attached. Commissioners are crafting presentation materials to inform the public of the proposed Arts + Culture Element. **2019.**
2. **Increase meeting frequency.** The Arts Commission would like to meet more frequently: 12 times per year. **2019 – 2024.**
3. **Arts Intern.** To help implement the goals and objectives of the Arts Commission without imposing on city staff, the Commission would like to seek the assistance of an intern. **2019 – 2024.**
4. **Update Arts Commission information on website.** Provide up-to-date information on the city's webpage. **2019 - 2024.**

**PUBLIC ART CAPITAL PROJECTS
NARRATIVE OF OBJECTIVES 2019**

PUBLIC ARTS PROJECTS

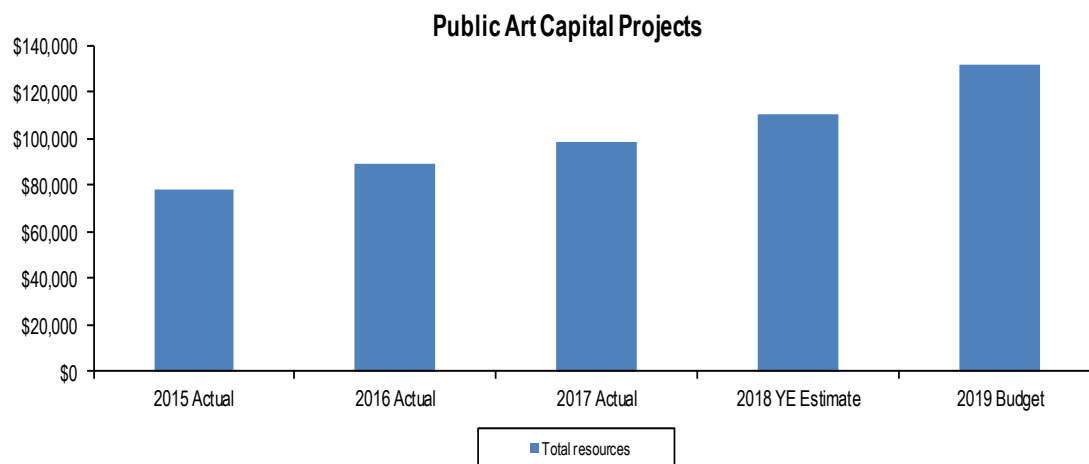
1. **Austin Estuary Park Honor Symbol.** Working with the Puyallup Tribe of Indians and a citizens group, and as directed by City Council, we will support creation and placement of an “honor symbol” in Austin Estuary Park acknowledging the importance of the Tribe as the original residents of Gig Harbor. **\$55,000.**
2. **Shaw Park.** Art to be commissioned upon completion of the park project. Budget to be determined.
3. **Hollycroft / Olympic Drive Triangle.** Art to be commissioned. Budget to be determined.

Resources

	2015	2016	2017	2018	2019
Category	Actual	Actual	Actual	YE Estimate	Budget
Beginning balance	\$ 68,405	\$ 78,505	\$ 88,823	\$ 89,106	\$ 110,130
Miscellaneous	100	345	100	1,024	1,480
Transfers in	10,000	10,000	10,000	20,000	20,000
Total revenues	10,100	10,345	10,100	21,024	21,480
Total resources	\$ 78,505	\$ 88,850	\$ 98,923	\$ 110,130	\$ 131,610

Expenditures By Type

	2015	2016	2017	2018	2019
Category	Actual	Actual	Actual	YE Estimate	Budget
Capital expenditures	\$ -	\$ -	\$ -	\$ -	\$ 55,000
Total expenditures	-	-	-	-	55,000
Ending balance	78,505	88,850	98,923	110,130	76,610
Total uses	\$ 78,505	\$ 88,850	\$ 98,923	\$ 110,130	\$ 131,610



PARKS DEVELOPMENT
DESCRIPTION OF FUNCTION

This fund was established in 1995. Since inception, the resources accumulated through transfers from the General Fund, capital grants, and interest earnings have been used for the purchase and development of civic properties.

PARK DEVELOPMENT
NARRATIVE OF GOALS 2019 – 2024

1. **Joint Community Parks Planning.** Participate in joint jurisdictional development of a Gig Harbor/Peninsula park facility in the Gig Harbor North area. **2019 - 2024.**
2. **City Parks.** Design and construct improvements at Eddon Boat, City Park at Crescent Creek, Jerisich Dock, Donkey Creek Park, Wilkinson Farm, Skansie Brothers Park, Kenneth Leo Marvin Veterans Memorial Park, Ancich Waterfront Park, Maritime Pier, and other site-specific projects. **2019 - 2024.**
3. **Gig Harbor Sports Complex - Development.** Complete design, permitting and construction of Phase 1 of the Gig Harbor Sports Complex Master Plan. Seek grants for Phase 2. **2019 - 2024.**
4. **Crescent Creek Park Master Plan.** Develop a master plan for the existing Crescent Creek Park and other possible surrounding opportunities. **2019 – 2024.**
5. **Cushman Trail Phase 5.** Working with Stakeholders, the City will complete a planning study to identify the preferred route alignment and begin design on the trail extension to the City northern limits. **2019 - 2024.**
6. **Wilkinson Farm Park Renovations.** Seek grant funding to renovate the existing barn, expand parking, and improve pedestrian access for Wilkinson Farm Park. **2019 – 2024.**
7. **Veterans Memorial Park.** Implement remaining planned improvements, which may include basketball half court, paved plaza, additional play structures, overlook with arbor/shelter and additional benches, exercise stations, walking trails around the park and nature trails in the wetland buffer, with interpretive signage. **2019 - 2024.**
8. **Skansie Brothers Park/Jerisich Dock.** Using an incremental approach, and as funds are available, implement the council-approved plan that resulted from Ad Hoc committee and public input process. **2019 - 2024.**

**PARK DEVELOPMENT
NARRATIVE OF OBJECTIVES 2019**

Mayor & Department Supported Objectives

1. **Gig Harbor Sports Complex Phase 1: Design, Permitting, Phase 1A Construction.** This is a multi-year, multi-phased project. Visioning was conducted in 2015 and a Master Plan was approved in 2018. Two RCO Grants totaling \$875,000 have been submitted but funding will not be confirmed until June of 2019. This project includes monetary support from local partners. Additional funding for Phase 1 completion will be in the City's 2020 budget. **\$2,200,000 (\$500,000 grant funding, \$200,000 State Appropriation, \$1,500,000 cash donations).**
2. **Public Works Operations Center – Site Development.** Review and finalize the site design then construct the frontage improvements and site civil improvements related to Well #11 and the new Public Works Operations Center. **\$1,980,000 (Parks \$396,000, Streets \$396,000, Water \$990,000, Storm \$198,000).**
3. **Public Works Operations Center – Building Design and Permitting.** Complete the building design and building permitting of the new Public Works Operations Center. **\$220,000 (Parks \$62,333, Streets \$62,333, Water \$33,000, Storm \$62,333).**
4. **Cushman Trail Bridge Easements.** The Pierce County and Tacoma Public Utilities right of way easement boundary limits that was provided to the City outlined the limits of the City's trail construction. These limits were determined by a surveyor for a nearby private development to be misaligned, resulting in the trail's encroachment onto several properties between the limits of 96th St and Burnham Drive. The work will procure the necessary long-term easements for those areas that the trail encroaches on private property. **\$65,000.**
5. **Crescent Creek Park – Visioning, Master Plan, Conceptual Design.** Conduct visioning and develop a master plan for Crescent Creek Park. **\$75,000.**
6. **Cushman Trail Phase 5 -** Complete the planning study started in 2018. Complete 30% design and NEPA for at least 1 mile of the preferred alignment, beginning at the termination of the existing Cushman Trail at Borgen Boulevard. Funded by Federal Surface Transportation Grant monies **\$270,000. (\$200,000 Federal Grant, \$70,000 local funds).**
7. **Eddon Boat Park – Brick House Rehabilitation.** Rehabilitate the historic Eddon Residence. Costs are for permitting and construction. **\$250,000 (\$70,000 grant funds and \$180,000 local funds).**
8. **Park Impact Fee Update – Analysis, Report.** The City's park impact fees have not been updated since they were originally established and are among the lowest in the Puget Sound Region. Based upon growth, perform an impact fee analysis and adopt increased fees. **\$13,000.**

9. **Pump Track Design and Permitting, Civic Center.** Design and permit a pump track near the existing skate park at the Civic Center. In anticipation of not initiating the design of the Pump Track in 2018 these costs have been added to the 2019 budget. **\$55,000.**
10. **Sand Volleyball Court Expansion at Crescent Creek Park.** Work with the sand volleyball community and their funding partners to expand the number of courts from 2 to 4. **\$12,000.**
11. **Skansie Netshed Repairs.** For the base bid complete siding and minor structural repairs then, re-paint the building. As an additive bid consider re-roofing the entire building. **\$90,000.**
12. **Ancich Homeport Commercial Fisherman's Dock – Conceptual Design and Feasibility.** This next phase of the Ancich Waterfront Park consists of a floating dock system to provide moorage for commercial fishermen. Public outreach and conceptual design will be conducted. **\$35,000.**
13. **Native Vegetation Plantings.** Complete a Small Public Works Contract to place native trees and shrubs at various parks, streetscapes, and other City grounds. **\$15,000.**

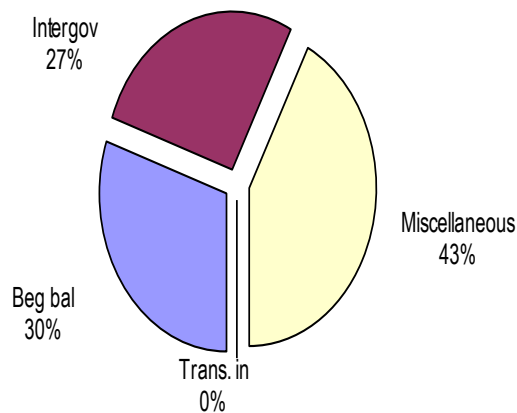
Removed Objectives

1. **Wilkinson Farm Park – Barn Stabilization.** From the results of the structural report performed in 2014, complete the recommended structural improvements to the barn. This work is dependent on a successful DAHP "Heritage Barn Grant." **\$370,000. (\$100,000 DAHP Grant, \$270,000 general fund). (Unsuccessful with the grant application due to limited funds available from DAHP).**

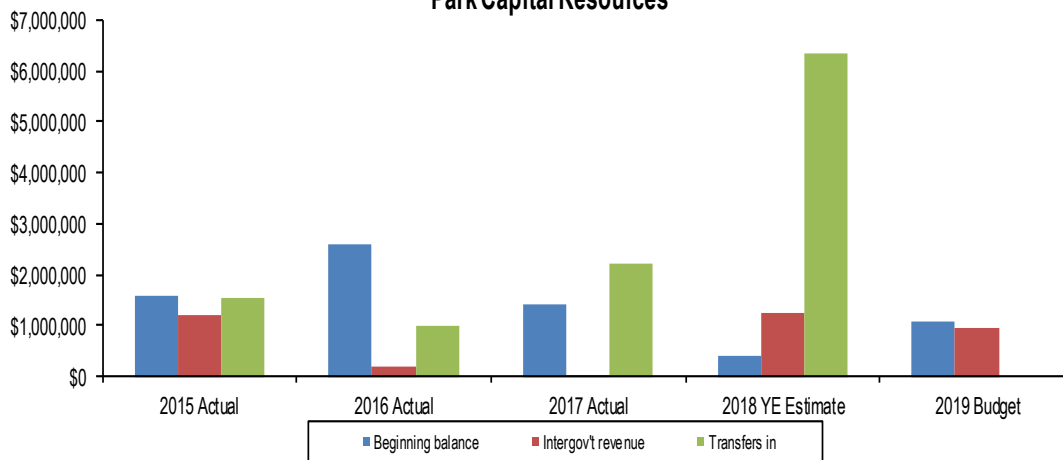
Resources

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Beginning balance	\$ 1,588,627	\$ 2,584,524	\$ 1,426,805	\$ 421,116	\$ 1,077,712
Intergov't revenue	1,219,491	201,432	33,518	1,229,022	970,000
Miscellaneous	2,031	13,326	9,971	9,110	1,505,000
Transfers in	1,523,000	985,714	2,220,683	6,362,781	-
Other	-	-	-	-	458,333
Total revenues	2,744,522	1,200,472	2,264,172	7,600,913	2,933,333
Total resources	\$ 4,333,149	\$ 3,784,996	\$ 3,690,977	\$ 8,022,029	\$ 4,011,045

2019 Budget



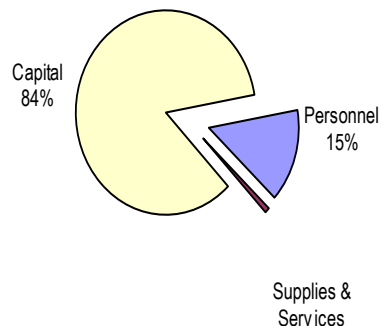
Park Capital Resources



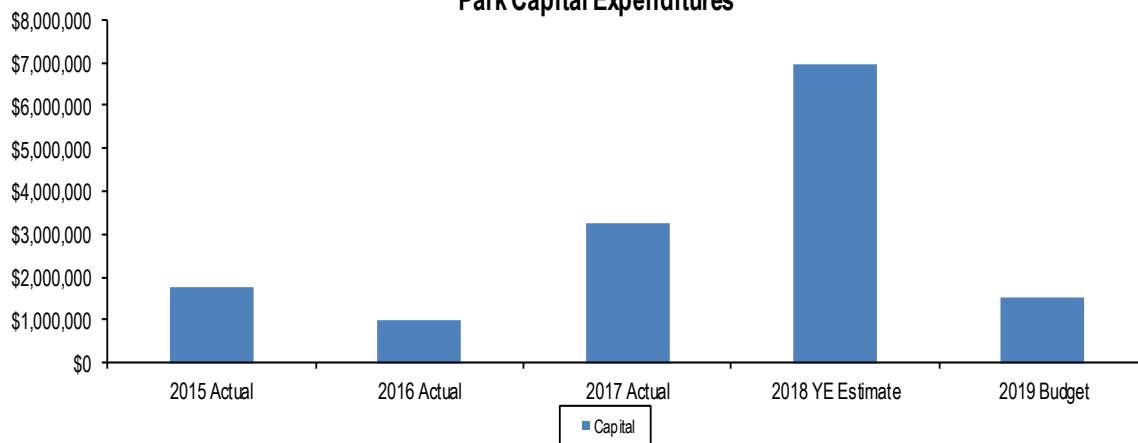
Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Salaries	\$ 85,354	\$ 145,902	\$ 173,651	\$ 131,800	\$ 145,700
Benefits	38,646	68,954	81,810	64,100	77,900
Supplies	1,262	3,548	67	-	-
Services	36,790	6,942	38,446	103,750	13,000
Capital expenditures	1,586,573	751,895	2,975,887	6,644,667	1,278,333
Transfers out	-	1,380,950	-	-	-
Total expenditures	1,748,625	2,358,191	3,269,861	6,944,317	1,514,933
Ending balance	2,584,524	1,426,805	421,116	1,077,712	2,496,112
Total uses	\$ 4,333,149	\$ 3,784,996	\$ 3,690,977	\$ 8,022,029	\$ 4,011,045

2019 Budget



Park Capital Expenditures



**CIVIC CENTER DEBT RESERVE
DESCRIPTION OF FUNCTION**

This fund was established to build a debt reserve for the Civic Center Bonds that were issued in 2001. The reserve was established to ensure the city has a debt service reserve if the city suffers an economic downturn and to retire the Civic Center Debt early.

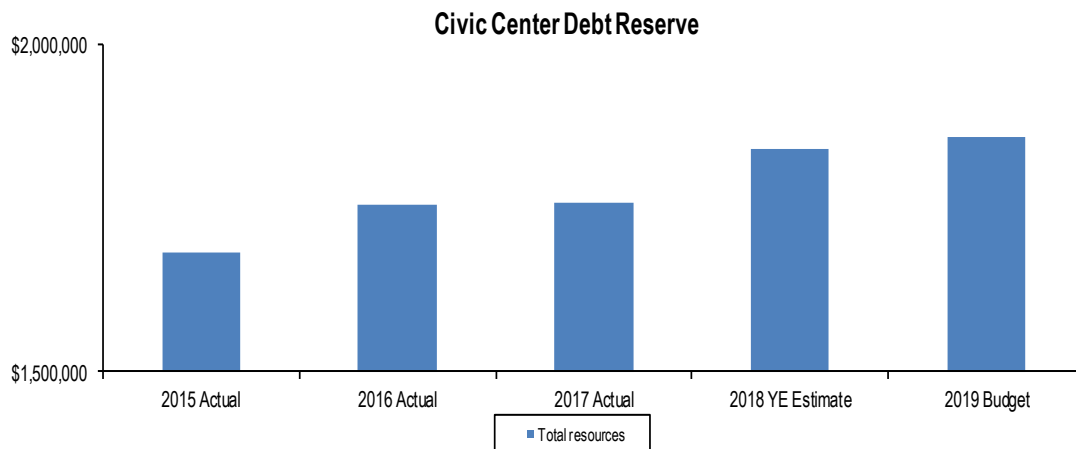
The resources accumulated through transfers from the General Fund and interest earnings will be used solely to either retire the Civic Center bonds or in the case of an emergency provide for annual debt service payments on the Civic Center bonds.

Resources

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Beginning balance	\$ 1,614,520	\$ 1,683,402	\$ 1,753,395	\$ 1,757,568	\$ 1,839,260
Miscellaneous	3,882	5,993	4,173	16,692	20,000
Transfers in	65,000	64,000	-	65,000	-
Total revenues	68,882	69,993	4,173	81,692	20,000
Total resources	\$ 1,683,402	\$ 1,753,395	\$ 1,757,568	\$ 1,839,260	\$ 1,859,260

Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Transfers out	\$ -	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-	-
Total expenditures	-	-	-	-	-
Ending balance	1,683,402	1,753,395	1,757,568	1,839,260	1,859,260
Total uses	\$ 1,683,402	\$ 1,753,395	\$ 1,757,568	\$ 1,839,260	\$ 1,859,260



STRATEGIC RESERVE DESCRIPTION OF FUNCTION

The Strategic Reserve fund was established to:

1. Take advantage of strategic opportunities as they arise (key land purchases or matching funds for capital grants, for example); and
2. Insulate the city from revenue fluctuations, economic downturns (i.e., “rainy days”), and other contingencies such as emergencies and disasters, uninsured losses, or tax refunds.

The city may use General Fund operating revenues and undesignated fund balances to build up this fund. Each budget cycle, the city council will establish a target amount for this fund based on a percentage of operating expenditures or some other method at the city council’s discretion. If drawn down, the Strategic Reserve Fund should be replenished back to the targeted amount within three years. Spending from this fund requires city council authorization.

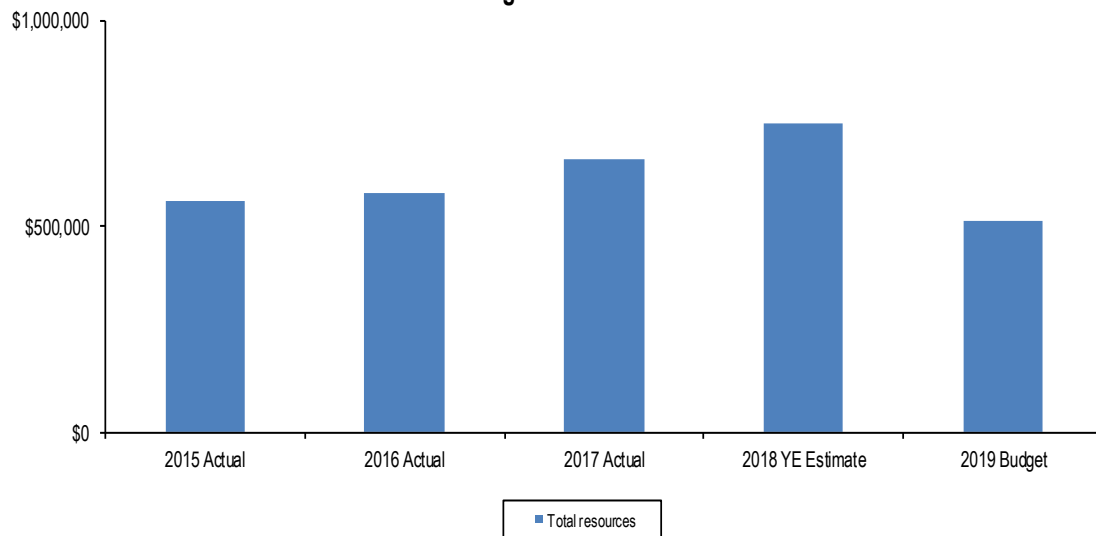
Resources

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Beginning balance	\$ 538,034	\$ 558,811	\$ 581,250	\$ 662,933	\$ 423,579
Miscellaneous	777	2,439	1,683	7,646	10,000
Transfers in	20,000	20,000	80,000	80,000	80,000
Total revenues	20,777	22,439	81,683	87,646	90,000
Total resources	\$ 558,811	\$ 581,250	\$ 662,933	\$ 750,579	\$ 513,579

Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Transfers out	\$ -	\$ -	\$ -	\$ 327,000	\$ -
Total expenditures	-	-	-	327,000	-
Ending balance	558,811	581,250	662,933	423,579	513,579
Total uses	\$ 558,811	\$ 581,250	\$ 662,933	\$ 750,579	\$ 513,579

Strategic Reserve



EQUIPMENT RESERVE
DESCRIPTION OF FUNCTION

The Equipment Replacement Reserve Fund was established in order to provide the city a method to save for significant purchases. This systematic savings process will level out the financial peaks and valleys that come from replacing expensive vehicles and equipment. This proposed fund is not intended to be an equipment rental fund, nor is it intended to fully fund equipment or vehicle purchases at the time of acquisition. Rather, this fund is intended to establish a reserve that will fund at least a portion of vehicles and equipment as they are replaced, thereby reducing the expenditure spikes that can otherwise occur. Only the General Fund will contribute to this Fund.

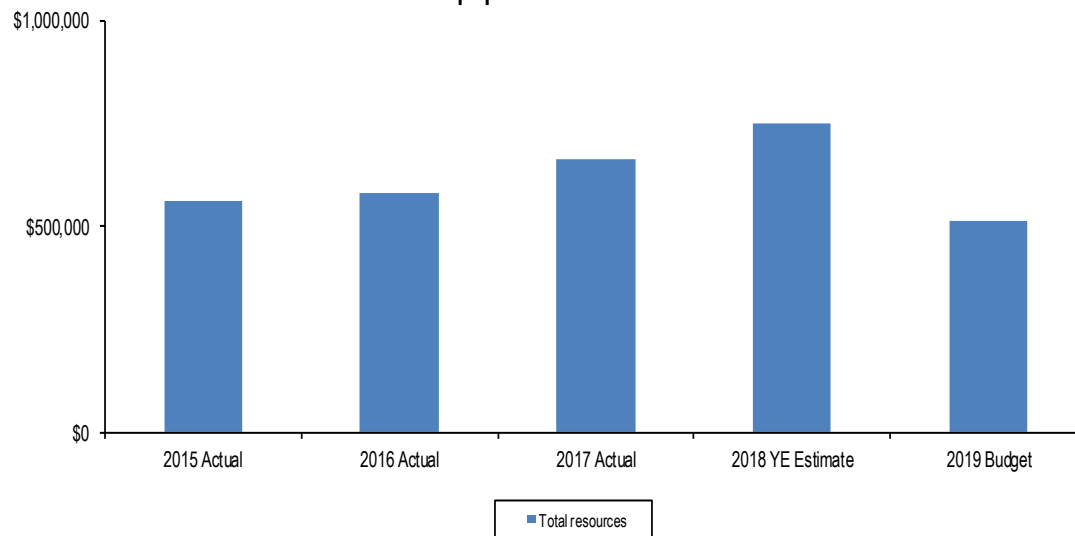
Resources

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Beginning balance	\$ 200,577	\$ 210,867	\$ 221,788	\$ 271,788	\$ 271,788
Miscellaneous	290	921	-	-	-
Transfers in	10,000	10,000	50,000	50,000	50,000
Total revenues	10,290	10,921	50,000	50,000	50,000
Total resources	\$ 210,867	\$ 221,788	\$ 271,788	\$ 321,788	\$ 321,788

Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Transfers out	\$ -	\$ -	\$ -	\$ -	\$ -
Total expenditures	-	-	-	-	-
Ending balance	210,867	221,788	271,788	321,788	321,788
Total uses	\$ 210,867	\$ 221,788	\$ 271,788	\$ 321,788	\$ 321,788

Equipment Reserve



**CAPITAL DEVELOPMENT
DESCRIPTION OF FUNCTION**

This fund accounts for the proceeds of the first one-quarter percent of the locally imposed real estate excise tax. State law restricts the use of these funds to financing capital projects specified in a capital facilities plan element of a comprehensive plan.

The fund balance is available for acquisition of parks properties as identified by the City Council in the City of Gig Harbor Parks, Recreation and Open Space Plan.

**CAPITAL DEVELOPMENT
NARRATIVE OF OBJECTIVES 2019**

Operating transfers out.

REET funds may be applied to the following projects.

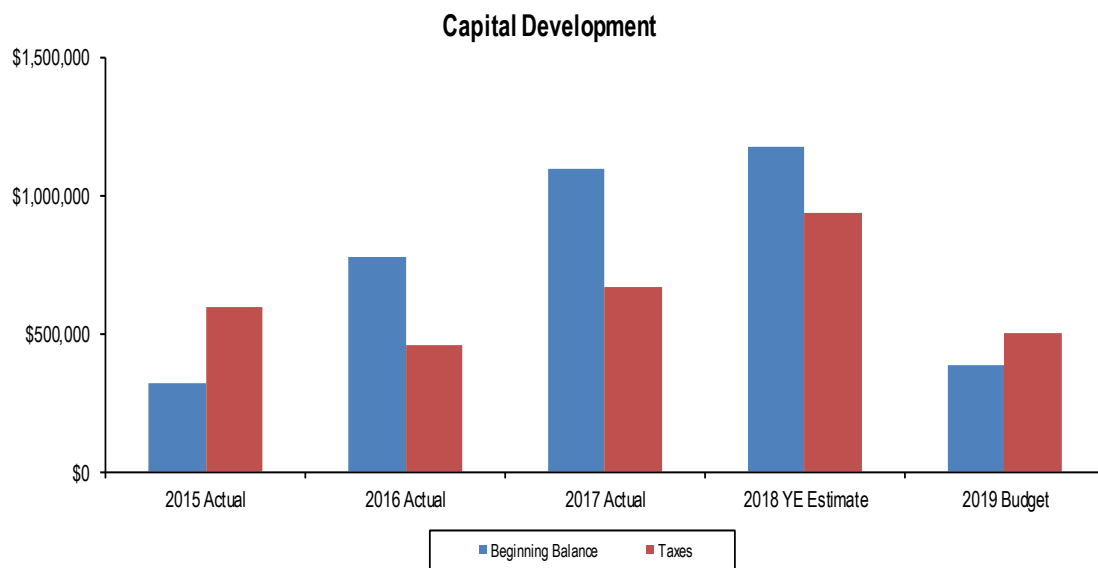
Gig Harbor Sports Complex Promissory Note Debt Service	<u>\$ 873,000</u>
	\$ 873,000

Resources

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Beginning balance	\$ 321,337	\$ 772,555	\$ 1,092,188	\$ 1,172,566	\$ 381,991
Taxes	596,673	458,951	665,278	937,625	500,000
Miscellaneous	845	4,282	11,982	12,000	15,000
Total revenues	597,518	463,233	677,260	949,625	515,000
Total resources	\$ 918,855	\$ 1,235,788	\$ 1,769,448	\$ 2,122,191	\$ 896,991

Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Transfers out	\$ 146,300	\$ 143,600	\$ 596,882	\$ 1,740,200	\$ 873,000
Total expenditures	146,300	143,600	596,882	1,740,200	873,000
Ending balance	772,555	1,092,188	1,172,566	381,991	23,991
Total uses	\$ 918,855	\$ 1,235,788	\$ 1,769,448	\$ 2,122,191	\$ 896,991



**CAPITAL IMPROVEMENT
DESCRIPTION OF FUNCTION**

This fund accounts for the proceeds of the second quarter percent of the locally imposed real estate excise tax. The law governing the use of these funds is more restrictive than for the first quarter percent. Permitted uses are defined as "public works projects for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems, and planning, construction, reconstruction, repair, rehabilitation, or improvement of parks.

**CAPITAL IMPROVEMENT
NARRATIVE OF OBJECTIVES 2019**

REET funds may also be applied to the following projects.

Stinson Avenue Project	\$ 235,000
Athletic Complex Promissory Note	100,000
Haub Triangle Parcel Promissory Note	<u>665,875</u>
	\$1,000,875

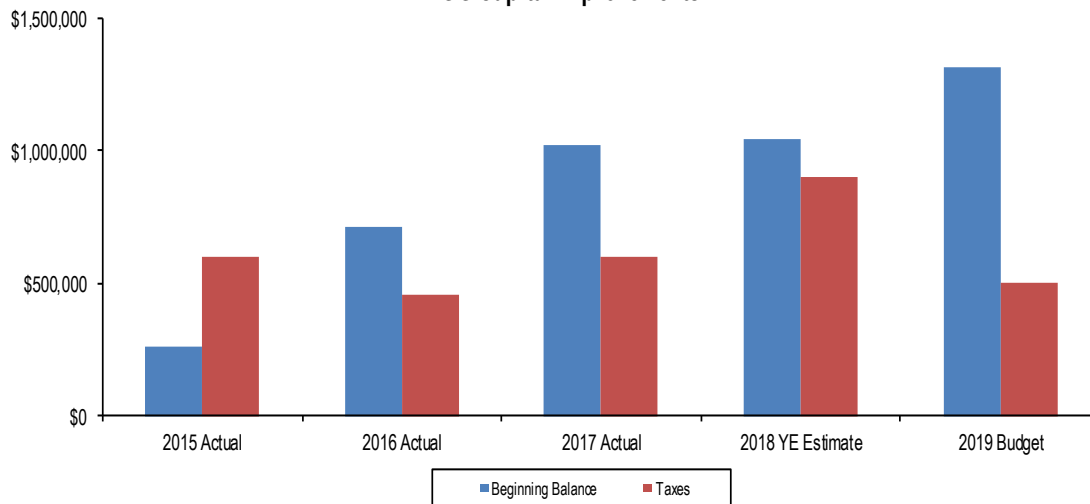
Resources

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Beginning balance	\$ 260,815	\$ 711,539	\$ 1,024,656	\$ 1,045,665	\$ 1,312,106
Taxes	596,268	452,722	596,664	902,641	500,000
Miscellaneous	756	3,995	11,227	12,000	15,000
Total revenues	597,024	456,717	607,891	914,641	515,000
Total resources	\$ 857,839	\$ 1,168,256	\$ 1,632,547	\$ 1,960,306	\$ 1,827,106

Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Transfers out	\$ 146,300	\$ 143,600	\$ 586,882	\$ 648,200	\$ 1,000,875
Total expenditures	146,300	143,600	586,882	648,200	1,000,875
Ending balance	711,539	1,024,656	1,045,665	1,312,106	826,231
Total uses	\$ 857,839	\$ 1,168,256	\$ 1,632,547	\$ 1,960,306	\$ 1,827,106

GG Capital Improvements



IMPACT FEE TRUST
DESCRIPTION OF FUNCTION

This fund accounts for the park and transportation impact fees that are paid to the city. As projects that are eligible for impact fee funding are appropriated by City Council, the impact fees allocated for that project are transferred to the construction fund.

Transportation Impact fees may also be applied to the following project.

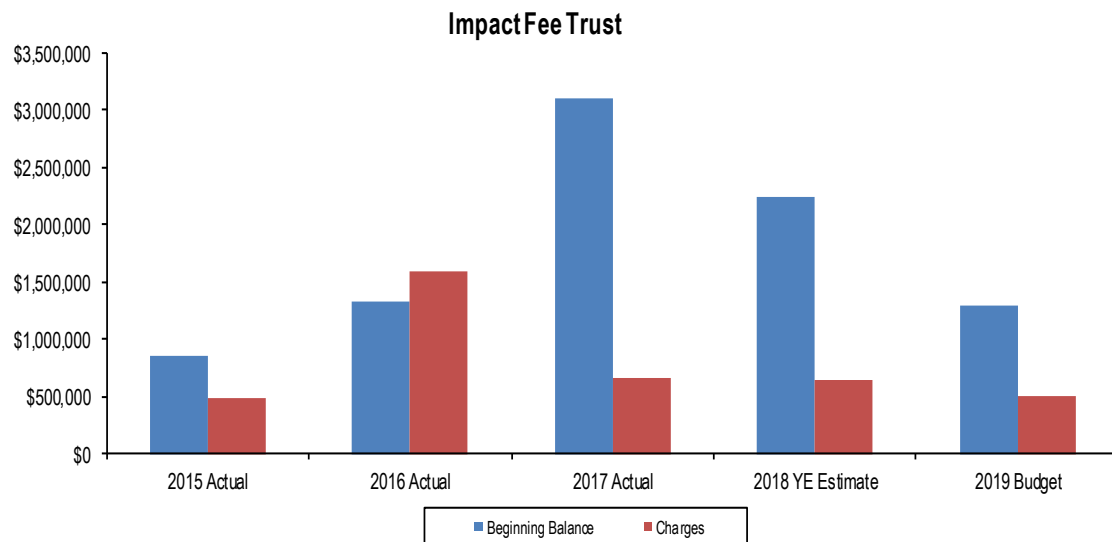
Stinson/Rosedale Intersection Improvements	\$ 500,000
--	------------

Resources

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Beginning balance	\$ 850,334	\$ 1,328,660	\$ 3,111,028	\$ 2,246,127	\$ 1,295,652
Charges	476,666	1,599,636	665,106	641,101	500,000
Miscellaneous	1,660	11,137	28,901	31,424	10,000
Transfers in	-	221,595	-	-	-
Total revenues	478,326	1,832,368	694,007	672,525	510,000
Total resources	\$ 1,328,660	\$ 3,161,028	\$ 3,805,035	\$ 2,918,652	\$ 1,805,652

Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Transfers out	\$ -	\$ 50,000	\$ 1,558,908	\$ 1,623,000	\$ 500,000
Total expenditures	-	50,000	1,558,908	1,623,000	500,000
Ending balance	1,328,660	3,111,028	2,246,127	1,295,652	1,305,652
Total uses	\$ 1,328,660	\$ 3,161,028	\$ 3,805,035	\$ 2,918,652	\$ 1,805,652



HOSPITAL BENEFIT ZONE REVENUE FUND
DESCRIPTION OF FUNCTION

The Hospital Benefit Zone Revenue Fund was established by Ordinance No. 1201 in order to receive the sales tax imposed by the city within the Hospital Benefit Zone (HBZ). In accordance with the enabling legislation, the taxes received from the HBZ are capped at \$2,000,000 per year; and may only be applied to eligible projects. The eligible projects are identified in Ordinance No. 1057, which established the HBZ. The project list is subject to amendment by the city.

HOSPITAL BENEFIT ZONE REVENUE FUND
NARRATIVE OF GOALS 2019 - 2024

The Harbor Hill Drive extension extends Harbor Hill Drive from its current point of termination, with the construction of a new roundabout southerly across the existing adjacent Gig Harbor Gun Club property at Burnham Drive. Construction began in 2017 and was completed in 2018.

HOSPITAL BENEFIT ZONE REVENUE FUND
NARRATIVE OF OBJECTIVES 2019

Hospital Benefit Zone matching funds may be applied to the following projects in 2019:

Harbor Hill Drive Extension	\$1,200,000
Borgen Street Lights	<u>115,500</u>
Total	\$1,315,500

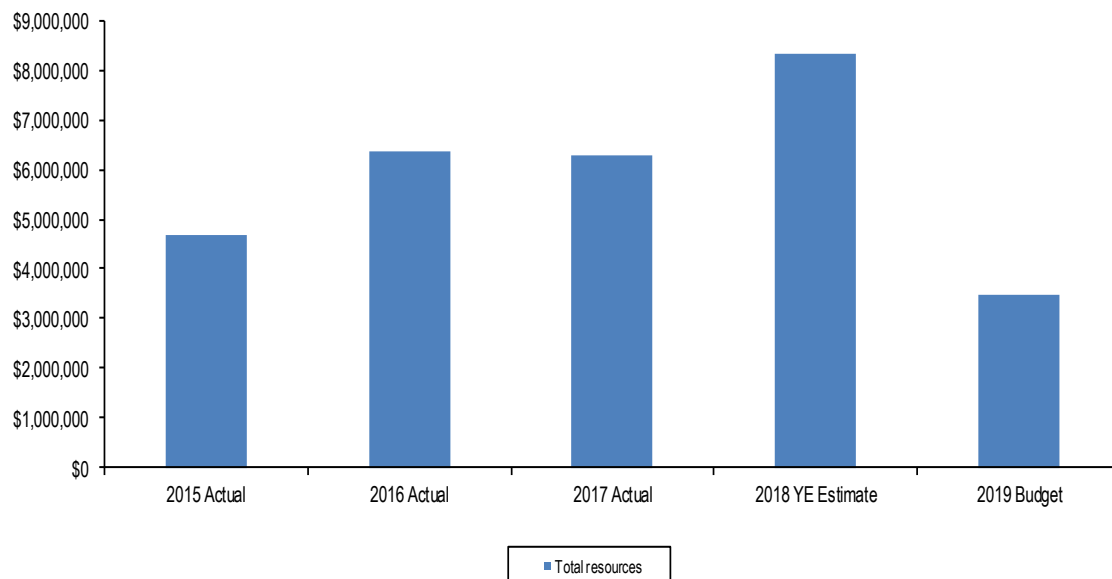
Resources

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Beginning balance	\$ 2,604,176	\$ 2,961,776	\$ 4,235,512	\$ 4,235,512	\$ 1,443,030
Taxes	2,086,017	2,000,000	2,000,000	4,000,000	2,000,000
Miscellaneous	4,583	15,211	36,966	77,018	50,000
Transfers in	-	1,380,950	-	-	-
Other	-	-	-	-	-
Total revenues	2,090,600	3,396,161	2,036,966	4,077,018	2,050,000
Total resources	\$ 4,694,776	\$ 6,357,937	\$ 6,272,478	\$ 8,312,530	\$ 3,493,030

Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Transfers out	\$ 1,733,000	\$ 2,122,425	\$ 1,790,127	\$ 6,869,500	\$ 1,315,500
Total expenditures	1,733,000	2,122,425	1,790,127	6,869,500	1,315,500
Ending balance	2,961,776	4,235,512	4,482,351	1,443,030	2,177,530
Total uses	\$ 4,694,776	\$ 6,357,937	\$ 6,272,478	\$ 8,312,530	\$ 3,493,030

HBZ Resources



4. DEBT SERVICE FUND TYPE

Limited Tax General Obligation Bond Redemption – Fund 208.....	187
2005 Bond Redemption – Fund 211.....	191

**DEBT SERVICE FUND TYPE
DESCRIPTION OF FUND TYPE**

Debt service funds account for the accumulation of resources to pay principal, interest and related costs on general long-term bonded debt.

These funds include LTGO Bond Redemption and UTGO Bond Redemption Funds. General obligation debt does not include debt for the water, sewer or storm utilities.

Expenditures By Fund

Category	2015 Actual	2016 Actual	2017 Budget	2018 YE Estimate	2019 Budget
LTGO Bond Redemption	\$ 1,112,505	\$ 1,205,900	\$ 1,425,830	\$ 1,419,655	\$ 2,557,747
UTGO Bond Redemption	418,596	423,686	441,195	480,102	518,890
Total Debt Service	\$ 1,531,101	\$ 1,629,586	\$ 1,867,025	\$ 1,899,757	\$ 3,076,637

**LIMITED TAX GENERAL OBLIGATION BOND REDEMPTION
DESCRIPTION OF FUNCTION**

The Limited Tax General Obligation (LTGO) bond fund accounts for debt service on the city's outstanding, non-voted general obligation debt. Debt service consists of principal and interest payments and other miscellaneous charges related to the LTGO debt.

The following debt issues are outstanding for fiscal years 2019:

2010 Limited Tax General Obligation and Refunding Bonds (LTGO):

The 2010 LTGO Bonds were issued to refund (refinance) the 2001 bonds maturing in 2012 through 2026 and to finance land acquisition. The refunding portion was \$6,861,964 and the new money portion was \$1,230,269. The city realized a net present value savings of \$439,000 by retiring the 2001 bonds early. Coupon interest rates range from 3.0% to 4.5%.

Debt service on the 2010 LTGO Bonds is as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2019	\$ 560,000	\$ 177,250	\$ 737,250	\$ 3,690,000
2020	580,000	153,000	733,000	3,110,000
2021	465,000	129,488	594,488	2,645,000
2022	485,000	108,113	593,113	2,160,000
2023	505,000	85,838	590,838	1,655,000
2024 to 2026	1,655,000	114,188	1,769,188	\$ 0
TOTAL	\$ 4,250,000	\$ 767,877	\$5,017,877	

2014 WA State Treasurer's Local Option Capital Asset Lending (LOCAL):

In 2014 the city borrowed \$234,227 through the LOCAL program to finance the purchase of six vehicles and a forklift. This is a five year note and carries an interest rate of 1.16%.

Debt service (General Fund portion) on the 2014 Note is as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2019	\$ 33,551	\$ 839	\$ 34,390	\$ 0
TOTAL	\$ 33,551	\$ 839	\$ 34,390	

2015 WA State Treasurer's Local Option Capital Asset Lending (LOCAL):

In 2015 the city borrowed \$218,172 through the LOCAL program to finance the purchase of six vehicles, a boat, a track hoe, and a Z-Trak Lawnmower. This is a five year note and carries an interest rate of 1.46%.

Debt service (General Fund portion) on the 2015 Note is as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2019	\$ 46,294	\$ 4,745	\$ 51,039	\$ 48,608
2020	48,608	2,430	51,039	\$ 0
TOTAL	\$ 94,902	\$ 7,176	\$ 102,078	

2017 WA State Treasurer's Local Option Capital Asset Lending (LOCAL):

In 2017 the city borrowed \$514,831 through the LOCAL program to finance the purchase of five police patrol vehicles, a jail transport van, three pickup trucks, a street sweeper, a sidewalk sweeper, and a brine maker. This is a five year note and carries an interest rate of 1.27%.

Debt service (General Fund portion) on the 2017 Note is as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2019	\$ 79,664	\$ 15,177	\$ 94,841	\$ 263,699
2020	83,648	11,094	94,742	180,051
2021	87,830	6,807	94,637	92,221
2022	92,221	2,306	94,527	\$ 0
TOTAL	\$ 343,363	\$ 35,384	\$ 378,747	

2017 Promissory Note – Harbor Hill LLC:

In 2017 the city borrowed \$2,625,000 through a promissory note with Harbor Hill LLC to finance the purchase of 10770 Harbor Hill Drive NW as part of the Harbor Hill Extension project. This is a three year note and carries an interest rate of 5.25%.

Debt service on the 2017 Note is as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2019	\$ 835,163	\$ 137,813	\$ 972,975	\$ 1,789,838
2020	879,009	93,966	972,975	910,828
2021	910,828	47,819	958,648	\$ 0
TOTAL	\$ 2,625,000	\$ 279,598	\$ 2,904,598	

2018 Promissory Note – Arletta Development Corporation:

In 2018 the city borrowed \$1,875,000 through a promissory note with Arletta Development Corporation to finance the purchase of three parcels at 7601 Soundview Drive as part of the “Haub Triangle” property purchase. This is a three year note and carries an interest rate of 2.18%.

Debt service on the 2018 Note is as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2019	\$ 625,000	\$ 40,875	\$ 665,875	\$ 1,250,000
2020	625,000	27,250	652,250	625,000
2021	625,000	13,625	638,625	\$ 0
TOTAL	\$ 1,875,000	\$ 81,750	\$ 1,956,750	

Resources

Category	2015 Actual	2016 Actual	2017 Budget	2018 YE Estimate	2019 Budget
Beginning balance	\$ 18,636	\$ 58,013	\$ 93,999	\$ 307,809	\$ 11,874
Miscellaneous	349	687	1,027	3,950	2,500
Transfers in	1,092,600	1,147,200	1,330,804	1,107,896	2,543,373
Other	920	-	-	-	-
Total revenues	1,093,869	1,147,887	1,331,831	1,111,846	2,545,873
Total resources	\$ 1,112,505	\$ 1,205,900	\$ 1,425,830	\$ 1,419,655	\$ 2,557,747

Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Budget	2018 YE Estimate	2019 Budget
Transfers out	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service	1,054,492	1,111,901	1,118,021	1,407,781	2,556,352
Total expenditures	1,054,492	1,111,901	1,118,021	1,407,781	2,556,352
Ending balance	58,013	93,999	307,809	11,874	1,395
Total uses	\$ 1,112,505	\$ 1,205,900	\$ 1,425,830	\$ 1,419,655	\$ 2,557,747

**2005 BOND REDEMPTION
DESCRIPTION OF FUNCTION**

This fund was created to account for the payment of the principal and interest on the voted bond issued to purchase the Eddon Boatyard.

This is a 20-year, \$3,500,000 bond and carries a fixed interest rate of 3.79%.

Interest payments are due June 1 and December 1 of each year, and principal payments are due December 1 of each year. The final maturity date for the bond is December 1, 2024.

Debt service on the 2005 Bonds is as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2019	\$ 213,000	\$ 53,212	\$ 266,212	\$ 1,191,000
2020	221,000	45,139	266,139	970,000
2021	229,000	36,763	265,763	741,000
2022	238,000	28,084	266,084	503,000
2023	247,000	19,064	266,064	256,000
2024	256,000	9,702	265,702	\$ 0
TOTAL	\$ 1,404,000	\$ 191,964	\$ 1,595,964	

Resources

Category	2015 Actual	2016 Actual	2017 Budget	2018 YE Estimate	2019 Budget
Beginning balance	\$ 157,842	\$ 151,936	\$ 158,000	\$ 174,710	\$ 213,890
Taxes	260,425	270,739	280,877	302,644	300,000
Miscellaneous	329	1,011	2,318	2,748	5,000
Total revenues	260,754	271,750	283,195	305,392	305,000
Total resources	\$ 418,596	\$ 423,686	\$ 441,195	\$ 480,102	\$ 518,890

Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Budget	2018 YE Estimate	2019 Budget
Debt service	\$ 266,660	\$ 265,686	\$ 266,485	\$ 266,212	\$ 266,139
Total expenditures	266,660	265,686	266,485	266,212	266,139
Ending balance	151,936	158,000	174,710	213,890	252,751
Total uses	\$ 418,596	\$ 423,686	\$ 441,195	\$ 480,102	\$ 518,890

5. ENTERPRISE FUND TYPE

Water Operating – Fund 401.....	196
Wastewater Operating – Fund 402.....	204
Shorecrest Sewer Operating Fund - Fund 403.....	211
Utility Reserve – Fund 407.....	214
Utility Bond Redemption – Fund 408.....	216
Wastewater Capital Construction – Fund 410.....	222
Storm Water Operating – Fund 411.....	226
Storm Water Capital – Fund 412.....	232
Water Capital Assets – Fund 420.....	236

**ENTERPRISE FUNDS
DESCRIPTION OF FUND TYPE**

Enterprise funds are used to account for operations that provide goods or services to the general public and are supported primarily through user charges.

Gig Harbor's enterprise funds are broken down into operating funds, debt service and capital construction funds.

The operating funds include water, sewer and storm sewer funds that account for the operation and maintenance of those utilities.

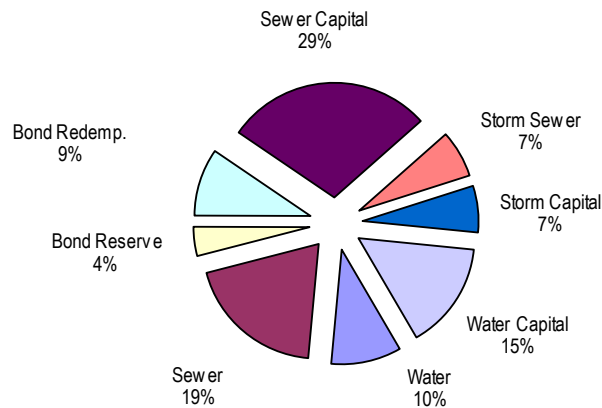
The debt service funds include the Utility Bond Redemption and Utility Reserve Funds that accumulate resources for the payment of various revenue bonds and satisfy the bond covenants.

The capital construction funds include Sewer Capital Construction, Water Capital Assets and Storm Water Capital that account for the accumulation of connection fees and other resources for the purchase or construction of major assets.

Expenditures By Fund

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Water Operating	\$ 2,424,342	\$ 3,015,322	\$ 3,086,118	\$ 3,926,883	\$ 3,682,274
Sewer Operating	5,831,772	6,548,260	7,456,075	8,273,463	7,170,599
Shorecrest Reserve	121,641	138,123	157,492	149,139	167,790
Utility Reserve	1,403,631	1,403,327	1,416,862	1,528,721	1,548,721
Utility Bond Redemption	5,283,749	3,986,697	9,630,435	3,411,895	3,588,971
Sewer Capital Const.	11,047,062	9,507,302	8,709,274	13,561,455	10,844,866
Storm Sewer Operating	1,963,139	2,176,167	2,466,237	2,672,323	2,502,773
Storm Sewer Capital	458,514	628,378	719,679	1,219,475	2,471,662
Water Capital Assets	2,616,142	3,104,423	4,826,991	5,271,213	5,672,921
Total	\$ 31,149,992	\$ 30,507,999	\$ 38,469,163	\$ 40,014,567	\$ 37,650,577

2019 Budget



WATER DIVISION - OPERATING
DESCRIPTION OF FUNCTION

The function of the Water Division is to provide a water supply, storage, transmission, and distribution system conforming with federal and state requirements, and meeting or exceeding customer expectations in terms of safety, quality (taste and aesthetics), and quantity (fire flow) consistent with the city's Water System Plan. Specific functions include providing an annual newsletter to customers, replacing outdated sampling stations and fire hydrants, performing routine water system maintenance, preparing and submitting required system reports, responding to requests to locate water pipes underground, starting and stopping water service, respond to water customer's questions and concerns, fire flow testing, coordination with other area water purveyors, review of private development plans for conformance with the most current version of the city's Water System Plan and applicable rules and regulations, make sure staff is up to date on training as required by state law, and updating the city's Water System Plan as required.

**WATER DIVISION - OPERATING
NARRATIVE OF GOALS 2019 – 2024**

1. **Automated meter reading.** Research programs for installing an automated water meter reading system. **2019 - 2021.**
2. **Annual water meter replacement and testing program.** In accordance with the City's water use efficiency goals, the City's desire is to replace meters exceeding 10 years of age. **2019 - 2024.**
3. **Reservoir Cleaning and Inspections.** Routine cleaning and inspections of five reservoirs with 4.75 million gallons of total storage. **2019 - 2024.**
4. **Conservation Program.** Conduct an ongoing leak detection program for the water distribution system in conjunction with the city's water conservation program as recommended by the Washington State Department of Health. **2019 - 2024.**

WATER DIVISION - OPERATING NARRATIVE OF OBJECTIVES 2019

Mayor & Department Supported Objectives

1. **Annual Water Meter Replacement and Testing Program.** In order to improve efficiency and accuracy, the City will be replacing existing meter registers with radio read registers within 4 years. **\$200,000 (Water \$100,000, Wastewater \$100,000).**
2. **Seasonal Hire.** Hire eight (8) seasonal help with work in parks, streets, water and storm. **Wages - \$123,000 (Parks \$61,500, Streets \$24,600, Water \$12,300, Storm \$24,600).**
3. **Water Main Replacement.** Replace approximately 1,400 LF of aging water mains in and around Edwards Avenue. This work is proposed to be completed by Operations Staff. **\$65,000.**
4. **Cartegraph OMS Enterprise Platform Licensing.** Continue to operate the existing Public Works citizen request work order and advanced asset management software for the City's facilities, public spaces and infrastructure. Enterprise Platform includes Cloud Shared Hosting subscription and support for 55 users and includes advance user tools providing the City to create custom assets in-house. This licensing integrates Cartegraph with Esri GIS services to use location to make data more useful and accurate. **\$29,775 (Parks \$5,955, Streets \$5,955, Water \$5,955, Storm \$5,955, Wastewater \$5,955).**
5. **Chlorine Monitors.** Purchase (3) chlorine monitors plus (4) chlorine pumps to provide on-line water quality monitoring and control of chlorination systems. **\$25,000.**
6. **Water Service Line Survey.** Per Section 6 of the Directive by the Governor 16-06, the City will survey its water system to identify all lead service lines and components. **\$75,000.**
7. **Shurgard Tank Inspection.** Interior and exterior inspections to ensure physical integrity, security and water quality. **\$9,500.**
8. **Automated valve exerciser.** Purchase an automated valve exerciser. Valves need to be exercised regularly so they are operable in the event of a water emergency as sections of the distribution system may need to be shutdown. **\$4,750.**
9. **Davit Retrieval System (vehicle hitch mount)** System to safely lift and raise employees suspended below work surfaces. This is an essential safety element to comply with OSHA confined space work standards. **\$6,000 (Water \$3,000, Storm \$3,000).**

10. **Gutter Replacement.** Install gutters/downspouts at Little League Fields announcer/well house building and restrooms/snack shack building, PW Maintenance Shop building, Crescent Park well house, Veteran's Memorial Park restroom and pavilion, Maritime Pier restroom **\$12,700 (Parks \$8,994, Street \$530, Water \$2,646, Storm \$530).**
11. **Hydrant Replacements.** Replace existing hydrants based on operational limitations and age. **\$15,000.**
12. **Well No. 3 Maintenance (Shurgard Storage Facility Site).** Remove and replace cabling, pump and motor. Clean and inspect the well screens while the equipment is out. **\$250,000.**

Removed Objectives

1. **Water Main Replacement.** Replace 600 feet of 6" asbestos cement piping with 8" ductile piping on Harbormaster Lane to Stinson Avenue. **\$65,000.**
2. **Public Works Facility Security.** Add security cameras to monitor perimeter of buildings and property. **\$5,000 (Parks \$1,250, Street \$1,250, Water \$1,250, Storm \$1,250).**

WATER DIVISION – OPERATING CAPITAL OUTLAY 2019

Mayor & Department Supported Capital Outlay

1. **Replace Side Mower for Tractor.** This capital outlay will replace the side mowing unit only and does not require the entire tractor to be replaced. **\$105,000 (Parks \$26,250, Streets \$26,250, Water \$26,250, Storm \$26,250).**
2. **New Ford F550 3-yard dump truck.** Due to increased amount of City infrastructure an additional 3-yard dump truck is necessary to complete the City's work. **\$75,000 (Parks \$18,750, Streets \$18,750, Water \$18,750, Storm \$18,750).**
3. **New Dump Trailer.** This trailer will reduce the demands and wear/tear on the larger, more expensive equipment. **\$12,000 (Parks \$3,000, Streets \$3,000, Water \$3,000, Storm \$3,000).**
4. **New Service Truck with crane, generator, air compressor.** Due to increased amount of City infrastructure and equipment a new service truck is necessary to complete the City's work. **\$120,000 (Parks \$20,000, Streets \$20,000, Water \$60,000, Storm \$20,000).**
5. **Replace Four (4) Variable Message Signs.** The City currently operates seven (7) variable message signs. This objective proposes to replace the four (4) oldest of the signs, which are nine (9) years old and costing a significant amount of staff time and parts to maintain. **\$85,000 (Parks \$17,000, Streets \$17,000 Water \$17,000, Storm \$17,000, Wastewater \$17,000).**
6. **Replace 1999 Ford F450 Flatbed Truck (#1024).** This truck is currently used for placing de-icer. The running gear has significantly deteriorated and must be replaced. **\$42,300 (Parks \$10,575, Streets \$10,575, Water \$10,575, Storm \$10,575).**

Removed Capital Outlay

1. **Replace 2008 Chevrolet Silverado 1500 (#2015) with Chevrolet Volt Electric Vehicle.** This vehicle has about 102,000 miles and annual maintenance costs continue to mount. **\$35,500 (Parks \$8,875, Streets \$8,875 Water \$8,875, Storm \$8,875).**

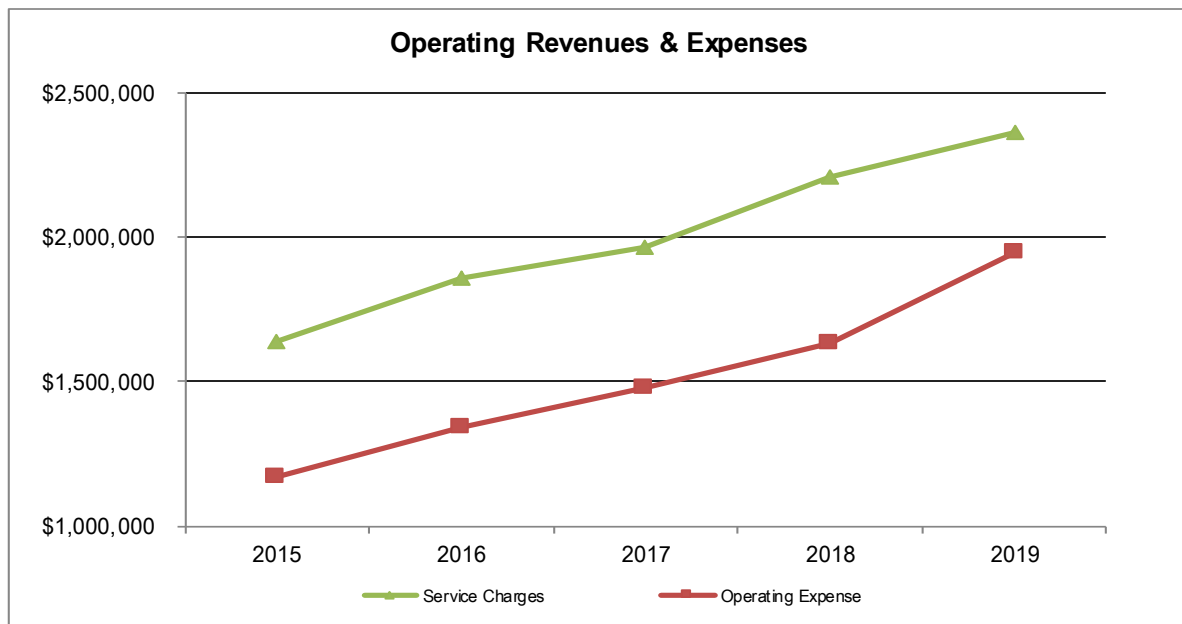
Total Water Division Capital Outlay is \$135,575

Resources

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Beginning balance	\$ 660,323	\$ 1,060,233	\$ 1,012,378	\$ 1,589,584	\$ 1,187,471
Taxes	76,755	87,397	92,719	96,798	103,690
Charges for services	1,638,468	1,856,506	1,964,981	2,206,509	2,363,613
Miscellaneous	18,046	7,848	18,032	26,446	27,500
Transfers in	30,750	-	(1,992)	-	-
Other	-	3,338	-	7,546	-
Total revenues	1,764,019	1,955,089	2,073,740	2,337,299	2,494,803
Total resources	\$ 2,424,342	\$ 3,015,322	\$ 3,086,118	\$ 3,926,883	\$ 3,682,274

Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Salaries	\$ 524,753	\$ 582,113	\$ 604,807	\$ 680,654	\$ 680,500
Benefits	244,939	260,013	282,935	320,875	315,325
Supplies	94,508	150,369	190,878	202,346	255,000
Services	235,063	256,027	309,240	320,122	581,886
Intergov't charges	71,305	91,749	92,841	108,423	116,143
Capital expenditures	29,041	15,957	46,708	-	135,575
Transfers out	164,500	163,100	452,741	1,106,992	985,505
Total expenditures	1,364,109	1,519,328	1,980,150	2,739,412	3,069,934
Ending fund balance	1,060,233	1,495,994	1,105,968	1,187,471	612,340
Total uses	\$ 2,424,342	\$ 3,015,322	\$ 3,086,118	\$ 3,926,883	\$ 3,682,274



CITY OF GIG HARBOR													
STAFF ADJUSTMENT REQUEST FORM - PW													
A Staff Adjustment Request form should be completed and submitted for any budget requests for Staff Adjustments. Staff Adjustment Requests should be prioritized by each position with no two requests having the same priority number.													
Position Title:		Department:											
Utility Billing Clerk - Reception(1.0 FTE)		Admin - Public Works-Operations											
Fund:		001, 401, 402, and 411											
Salary Range From:		Salary Range To:											
\$ 2,224		\$ 2,779											
Change Date:		January 1, 2019											
Department Contact:		Jeff Langhelm											
Request to Add a Position		Priority: 1											
Description of Request:													
<p>Utility billing at the City of Gig Harbor is currently completed by one full time Utility Bill Technician. The Utility Billing Technician's work generally includes producing bi-monthly billing cycles, providing customer service assistance by phone, email, and for walk-in customers, creating new accounts, closing existing accounts, tracking meters, coordinating meter reading, issuing final shut-off notices, and providing leak detection assistance.</p> <p>An Operations Public Works Assistant provides backup coverage for the Utility Billing Technician and has also taken over the management of backflow prevention installation and testing program. And as necessary, the Operations Public Works Assistant reprioritizes her work schedule to further support the Utility Billing Technician.</p> <p>With the number of City utility accounts growing by almost 50% since 2008, the City's Utility Billing Technician is not able to sustain the daily work load associated with current and increasing utility accounts. Additionally, this utility growth rate is higher than City population growth because the City performs utility billing for City utility accounts located in the UGA.</p> <p>The primary initial responsibilities of the proposed Utility Billing Clerk position would be providing customer service assistance by phone, email, and for walk-in customers and assistance with noticing of customers. This new position would also replace the backup coverage currently provided by the Operations Public Works Assistant.</p>													
Advantage of Approval / Implication of Denial:													
Public works is attempting to fill this position with a part-time employee to minimize the initial cost to the three utility funds. The number of City utility accounts have increased by approximately 45% over the past 10 years. By denying this proposed staff adjustment City utility customers will received significantly reduced customer service both now and as the years progress. Additionally, customers will likely receive more errors on utility bills due to less time by staff to confirm utility readings.													
Alternatives (Delaying Funding / Partial Funding):													
Public Works partially provides support to the current Utility Billing Technician through redirecting tasks from one Public Works Assistant. Without the creation of this part-time position Public Works will need to redirect a majority of the Public Works Assistant's time to perform the tasks of the Utility Billing Clerk. If this occurs, and since the Public Works Assistant position is a higher paid position, the City would be paying more to complete the tasks of the Utility Billing Clerk while losing the productivity of the Public Works Assistant.													
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center; padding: 5px;">2019 Annual Costs</th> </tr> </thead> <tbody> <tr> <td style="width: 30%; padding: 5px;">Wages</td> <td style="padding: 5px;">\$ 21,769.00</td> </tr> <tr> <td style="padding: 5px;">Benefits</td> <td style="padding: 5px;">\$ 19,921.00</td> </tr> <tr> <td style="padding: 5px;">Other</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="padding: 5px;">Total</td> <td style="padding: 5px;">\$ 41,690.00</td> </tr> </tbody> </table>				2019 Annual Costs		Wages	\$ 21,769.00	Benefits	\$ 19,921.00	Other		Total	\$ 41,690.00
2019 Annual Costs													
Wages	\$ 21,769.00												
Benefits	\$ 19,921.00												
Other													
Total	\$ 41,690.00												
Contract Position: <input type="checkbox"/>													
Funding Source Description:													
This position will be funded by 1/3rd water utility, 1/3rd wastewater utility, and 1/3rd stormwater utility.													

CITY OF GIG HARBOR																					
CITY PROJECT / EQUIPMENT / MATERIALS REQUEST FORM																					
This form should be completed and submitted for any budget requests for projects completed by City-forces, new equipment, and/or new materials. Each form should be prioritized by each department and/or fund, with no two requests having the same priority number.																					
Project Title:		Seasonal Hire																			
Department:	Public Works	Fund(s):	Water Operating - 401																		
2019 Cost:		Priority:	1																		
\$	123,000.00	Department																			
Does this respond to a Council goal:		Yes <input type="checkbox"/>	No <input type="checkbox"/>																		
If yes, describe goal location:																					
Description of Request:																					
Hire eight (8) seasonal help with work in parks, streets, water and storm.																					
Advantage of Approval / Implication of Denial:																					
More help in our busy season to help catch up on mowing and trimming and building repair.																					
Alternatives (Delaying Funding / Partial Funding):																					
Continue to fall behind on gardening and building maintenance.																					
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center; padding: 5px;">2019 Associated Costs</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">Wages</td> <td style="padding: 5px;">\$ 123,000.00</td> </tr> <tr> <td style="padding: 5px;">Benefits</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="padding: 5px;">Equipment</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="padding: 5px;">Materials</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="padding: 5px;">Services</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="padding: 5px;">Consultant</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="padding: 5px;">Other</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="padding: 5px;">Total</td> <td style="padding: 5px;">\$ 123,000.00</td> </tr> </tbody> </table>				2019 Associated Costs		Wages	\$ 123,000.00	Benefits		Equipment		Materials		Services		Consultant		Other		Total	\$ 123,000.00
2019 Associated Costs																					
Wages	\$ 123,000.00																				
Benefits																					
Equipment																					
Materials																					
Services																					
Consultant																					
Other																					
Total	\$ 123,000.00																				
One Time Expense: <input type="checkbox"/>		Continuous Funding Request: <input checked="" type="checkbox"/>																			
Continuous Funding Amount = 123K /year																					
Funding Source Description:																					
(Parks - \$61,500, Street - \$24,600, Water - \$12,300, Storm - \$24,600)																					

WASTEWATER DIVISION – OPERATING DESCRIPTION OF FUNCTION

Operation and maintenance of the city's wastewater collection facilities and wastewater treatment plant to provide a reliable, safe, and cost-effective wastewater system with consistent treatment and biosolids processing, meeting or exceeding federal and state requirements and guidelines, and the expectations of Gig Harbor residents. Specific functions include monitoring, inspection, maintenance, and repair of the system, coordination of wastewater system repairs with the City's pavement maintenance program and other utility projects, preparing required reports, locating unmapped wastewater pipes, responding to citizen requests, regulatory coordination and certification, review of wastewater plans, conducting inflow/infiltration studies, and periodically updating design standards.

For the 2019 Budget the Wastewater Operating fund reflects a significant increase in maintenance activities. The primary reason for this increase is associated with more than 10 years of wastewater capital development. Over the last decade Wastewater Staff has focused efforts design criteria and the implementation, and operational challenges associated with keeping this critical function operating 24 hours a day, 7 days a week while also delivering successful capital improvements. As such, with this primary focus of capital projects now subsided, Wastewater Staff has re-focused efforts on maintenance and operational needs of the collection system and wastewater treatment plant and the 2019 Budget reflects these efforts.

**WASTEWATER DIVISION - OPERATING
NARRATIVE OF GOALS 2019 – 2024**

1. **Emergency Procedures.** Emergency operations procedures to minimize energy demand, and the risk of spills or biological upset at the treatment plant during extended power outages. Update and maintain collection system emergency response procedures. Make sure all pump-around plans are up-to-date and maintained as upgrades and rehabilitation to the system are completed. **2019 - 2024.**
2. **Lift Stations.** Design, engineer and construct upgrades and rehabilitation of Lift Stations 6, 8, 9, 12, 13 as referenced in the current Wastewater Comprehensive Plan. Standardize design and equipment whenever possible. **2019 - 2024.**
3. **Flow Meters.** Install flow meters at all lift stations as referenced in the current Wastewater Comprehensive Plan. Flow meters to be used as a tool for monitoring inflow and infiltration (I&I) to help establish priority areas for repairs to sewer lines, to help give accurate pump discharge flows, and to enhance maintenance and energy savings. **2019 - 2024.**
4. **Study Reuse Sites.** As described in the current Wastewater Comprehensive Plan. Study and explore potential water reclamation and reuse sites within the UGA. **2019 - 2024.**
5. **Cost Cutting Measures.** Optimize electrical and chemical uses to help cut costs. This will give us a clearer picture of more consistent annual operating costs. **2019 - 2024.**
6. **Line Cleaning Program.** Clean at least 40,000 feet of sewer lines per year. Clean the North Harborview sewer mains at least twice per year. **2019 - 2024.**
7. **Manhole Ring and Cover Replacement.** Ongoing replacement program in conjunction with pavement maintenance, water, sewer and storm line installation, repair and replacement projects to save city money and staff time. This is also a loss-prevention measure to reduce manhole cover insurance claims. **2019 - 2024.**
8. **Sewer System-wide GPS.** Capture sanitary sewer manholes and other features through the use of the City's GPS and build the sewer GIS Mapping System. **2019 - 2024.**
9. **Pretreatment Standards.** Develop a comprehensive Pretreatment Ordinance to protect City's POTW and receiving waters. **2019 - 2024.**
10. **Inflow and Infiltration (I&I).** Reconnaissance, inspection and repair. As our underground collection system ages, the potential for leaks and failures increase. These failures use up capacity at the WWTP and add unnecessary costs to treat clean water. **2019 – 2024.**

11. **Future Needs Forecasting.** Update the demographics forecasting allocation model (DFAM) to forecast future population growth on undeveloped and underdeveloped parcels within the City's urban growth area (UGA). **2019-2024.**

WASTEWATER DIVISION - OPERATING NARRATIVE OF OBJECTIVES 2019

Mayor & Department Supported Objectives

1. **Wet Well Recoating.** The initial coatings on wet well #'s 14 and 16 are either in the process of failing or have failed exposing their substrate to gases that deteriorate the concrete. The coatings are in need of reconditioning or full replacement. **\$67,000.**
2. **Annual Water Meter Replacement and Testing Program.** In order to improve efficiency and accuracy, the City will be replacing existing meter registers with radio read registers within 4 years. **\$200,000 (Water \$100,000, Wastewater \$100,000).**
3. **Cartegraph OMS Enterprise Platform Licensing.** Continue to operate the existing Public Works citizen request work order and advanced asset management software for the City's facilities, public spaces and infrastructure. Enterprise Platform includes Cloud Shared Hosting subscription and support for 55 users and includes advance user tools providing the City to create custom assets in-house. This licensing integrates Cartegraph with Esri GIS services to use location to make data more useful and accurate. **\$29,775 (Parks \$5,955, Streets \$5,955, Water \$5,955, Storm \$5,955, Wastewater \$5,955).**
4. **Lift Station 8 Water Hammer Arrester.** Lift Station 8 experiences high water pressure during shutdown of backup pumps. This extreme pressure can cause pipe bursting. The water hammer arrester will be installed to eliminate the high pressure spikes. **\$30,000.**
5. **Inflow & Infiltration Repairs – Manhole/Pipelines.** The aging collection system has structural defects as identified in the required DOE I&I Study. This will be the initial round of ongoing repairs as outlined in the updated Sewer Comprehensive Plan. **\$225,000.**

Removed Objectives

1. **Level Control for Lift Station 6 and 12.** Replace problematic air bubbler and mercury level systems. **\$25,000.**

**WASTEWATER DIVISION - OPERATING
CAPITAL OUTLAY 2019**

Mayor & Department Supported Capital Outlay

1. **Pump Station 3A Motor Control Center (MCC).** With design completed, the physical construction, installation and loading of the program can be done. **\$96,000.** (I&C/Software & Hardware Costs).
2. **Variable Message Signs (4).** **\$85,000 (Parks \$17,000, Streets \$17,000 Water \$17,000, Storm \$17,000, Wastewater \$17,000).**
3. **Airgap System for Centrifuge.** To be compliant with the Department of Health and City of Gig Harbor Water Department. The existing makeshift system does not meet the demand of the current centrifuge operation. **\$41,000.**

Removed Capital Outlay

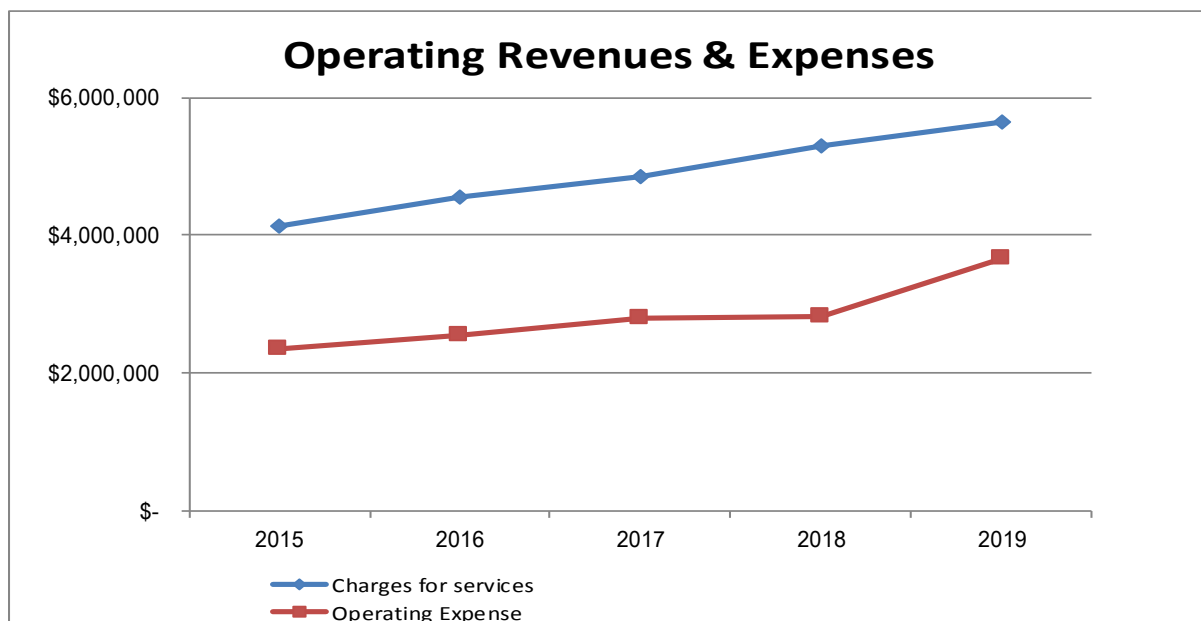
Total Capital Outlay is \$154,000

Resources

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Beginning balance	\$ 1,559,748	\$ 1,823,948	\$ 2,152,706	\$ 2,751,831	\$ 1,285,401
Taxes	148,717	165,083	176,007	190,526	203,110
Charges for services	4,120,068	4,551,360	4,837,068	5,289,704	5,639,088
Miscellaneous	3,239	7,869	26,568	41,402	43,000
Transfers in	-	-	263,726	-	-
Total revenues	4,272,024	4,724,312	5,303,369	5,521,632	5,885,198
Total resources	\$ 5,831,772	\$ 6,548,260	\$ 7,456,075	\$ 8,273,463	\$ 7,170,599

Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Salaries	\$ 945,881	\$ 1,001,131	\$ 1,067,060	\$ 1,150,388	\$ 1,179,800
Benefits	412,059	437,038	477,023	512,870	572,300
Supplies	284,784	309,928	338,045	376,450	563,800
Services	649,068	727,897	829,033	708,005	1,274,623
Intergov't charges	56,817	77,333	76,445	63,530	67,726
Capital expenditures	5,815	-	106,947	47,819	154,000
Transfers out	1,653,400	1,350,000	1,809,691	4,129,000	2,705,542
Other	-	492,227	-	-	-
Total expenditures	4,007,824	4,395,554	4,704,244	6,988,062	6,517,791
Ending balance	1,823,948	2,152,706	2,751,831	1,285,401	652,808
Total uses	\$ 5,831,772	\$ 6,548,260	\$ 7,456,075	\$ 8,273,463	\$ 7,170,599



CITY OF GIG HARBOR													
STAFF ADJUSTMENT REQUEST FORM - PW													
A Staff Adjustment Request form should be completed and submitted for any budget requests for Staff Adjustments. Staff Adjustment Requests should be prioritized by each position with no two requests having the same priority number.													
Position Title:		Department:	Fund:										
Utility Billing Clerk - Reception(1.0 FTE)		Admin - Public Works-Operations	001, 401, 402, and 411										
Salary Range From:	Salary Range To:	Change Date:											
\$ 2,224	\$ 2,779	January 1, 2019											
Department Contact:		Jeff Langhelm											
Request to Add a Position		Priority:	1										
Description of Request:													
<p>Utility billing at the City of Gig Harbor is currently completed by one full time Utility Bill Technician. The Utility Billing Technician's work generally includes producing bi-monthly billing cycles, providing customer service assistance by phone, email, and for walk-in customers, creating new accounts, closing existing accounts, tracking meters, coordinating meter reading, issuing final shut-off notices, and providing leak detection assistance.</p> <p>An Operations Public Works Assistant provides backup coverage for the Utility Billing Technician and has also taken over the management of backflow prevention installation and testing program. And as necessary, the Operations Public Works Assistant reprioritizes her work schedule to further support the Utility Billing Technician.</p> <p>With the number of City utility accounts growing by almost 50% since 2008, the City's Utility Billing Technician is not able to sustain the daily work load associated with current and increasing utility accounts. Additionally, this utility growth rate is higher than City population growth because the City performs utility billing for City utility accounts located in the UGA.</p> <p>The primary initial responsibilities of the proposed Utility Billing Clerk position would be providing customer service assistance by phone, email, and for walk-in customers and assistance with noticing of customers. This new position would also replace the backup coverage currently provided by the Operations Public Works Assistant.</p>													
Advantage of Approval / Implication of Denial:													
Public works is attempting to fill this position with a part-time employee to minimize the initial cost to the three utility funds. The number of City utility accounts have increased by approximately 45% over the past 10 years. By denying this proposed staff adjustment City utility customers will received significantly reduced customer service both now and as the years progress. Additionally, customers will likely receive more errors on utility bills due to less time by staff to confirm utility readings.													
Alternatives (Delaying Funding / Partial Funding):													
Public Works partially provides support to the current Utility Billing Technician through redirecting tasks from one Public Works Assistant. Without the creation of this part-time position Public Works will need to redirect a majority of the Public Works Assistant's time to perform the tasks of the Utility Billing Clerk. If this occurs, and since the Public Works Assistant position is a higher paid position, the City would be paying more to complete the tasks of the Utility Billing Clerk while losing the productivity of the Public Works Assistant.													
<table border="1" style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center; padding: 5px;">2019 Annual Costs</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">Wages</td> <td style="text-align: right; padding: 5px;">\$ 21,769.00</td> </tr> <tr> <td style="padding: 5px;">Benefits</td> <td style="text-align: right; padding: 5px;">\$ 19,921.00</td> </tr> <tr> <td style="padding: 5px;">Other</td> <td style="text-align: right; padding: 5px;"></td> </tr> <tr> <td style="text-align: right; padding: 5px;">Total</td> <td style="text-align: right; padding: 5px;">\$ 41,690.00</td> </tr> </tbody> </table>				2019 Annual Costs		Wages	\$ 21,769.00	Benefits	\$ 19,921.00	Other		Total	\$ 41,690.00
2019 Annual Costs													
Wages	\$ 21,769.00												
Benefits	\$ 19,921.00												
Other													
Total	\$ 41,690.00												
Contract Position: <input type="checkbox"/>													
Funding Source Description:													
This position will be funded by 1/3rd water utility, 1/3rd wastewater utility, and 1/3rd stormwater utility.													

SHORECREST SEWER OPERATING FUND
DESCRIPTION OF FUNCTION

This fund was established in February 2012 to account for all Shorecrest Sewer revenues and expenditures.

Both regular maintenance and operations and capital replacements are accounted for in this fund.

**SHORECREST SEWER - OPERATING
NARRATIVE OF OBJECTIVES 2019**

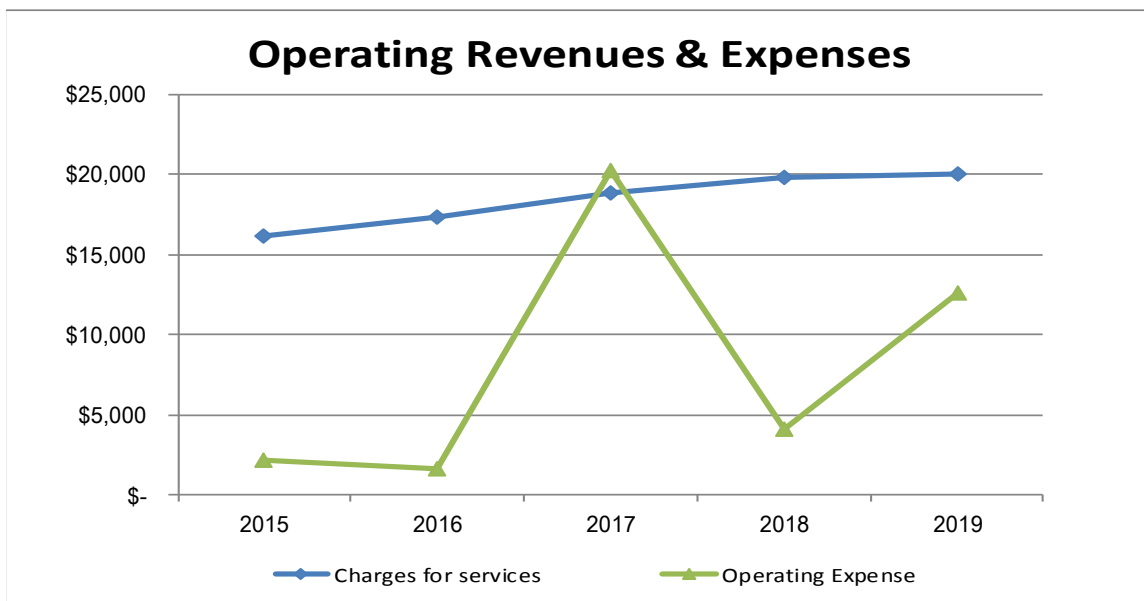
1. **Continue with the ongoing routine maintenance.**

Resources

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Beginning balance	\$ 77,514	\$ 119,479	\$ 136,516	\$ 126,675	\$ 144,990
Taxes	624	669	728	764	800
Charges for services	16,194	17,353	18,880	19,826	20,000
Miscellaneous	27,309	622	1,368	1,874	2,000
Transfers in	-	-	-	-	-
Total revenues	44,127	18,644	20,976	22,464	22,800
Total resources	\$ 121,641	\$ 138,123	\$ 157,492	\$ 149,139	\$ 167,790

Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Salaries	\$ 1,327	\$ 495	\$ 10,044	\$ 1,755	\$ 6,500
Benefits	562	328	7,076	1,236	4,579
Supplies	-	-	262	-	-
Services	215	215	2,373	648	924
Intergov't charges	58	569	482	510	600
Capital expenditures	-	-	10,580	-	-
Transfers out	-	-	-	-	-
Total expenditures	2,162	1,607	30,817	4,149	12,603
Ending balance	119,479	136,516	126,675	144,990	155,187
Total uses	\$ 121,641	\$ 138,123	\$ 157,492	\$ 149,139	\$ 167,790



**UTILITY RESERVE FUND
DESCRIPTION OF FUNCTION**

The Utility Reserve Fund is required under the covenants of the 2003 Revenue and Refunding Bonds, the \$6,035,000 Water and Sewer Revenue Bonds, 2010 (Taxable Build America Bonds), \$5,580,000 Water and Sewer Revenue Bonds, 2010B (Taxable Build America Bonds), \$2,610,000 Water and Sewer Revenue Bonds, 2010C (Tax-Exempt), and the 2017 \$6220,000 Water and Sewer Revenue Bonds.

The reserve account is required to be funded to the lesser of (A)% of the net proceeds of each series of Parity Bonds, (B)Annual Debt Service, (C).25 times average Annual Debt Service, or (D)amount as shall be required to maintain the exemption of interest of any series of Parity Bonds from taxation under the Code.

The 2019 annual budget for this fund meets the reserve requirement as stated above.

Resources

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Beginning balance	\$ 1,390,980	\$ 1,403,327	\$ 1,403,327	\$ 1,509,559	\$ 1,528,721
Miscellaneous	12,651	-	13,535	19,162	20,000
Total revenues	12,651	-	13,535	19,162	20,000
Total resources	\$ 1,403,631	\$ 1,403,327	\$ 1,416,862	\$ 1,528,721	\$ 1,548,721

Expenditures

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Other	\$ 304	\$ -	\$ -	\$ -	\$ -
Total	304	-	-	-	-
Ending balance	1,403,327	1,403,327	1,416,862	1,528,721	1,548,721
Total uses	\$ 1,403,631	\$ 1,403,327	\$ 1,416,862	\$ 1,528,721	\$ 1,548,721

**UTILITY BOND REDEMPTION
DESCRIPTION OF FUNCTION**

This fund accounts for Water and Sewer Fund debt service.

Public Works Board Loan – Phase 1 and Outfall

The city has a Public Works Trust Fund Loan from the state Public Works Board. The loan is for the waste water treatment plant phase 1 expansion and outfall extension projects. The loan is for construction in the amount of \$10 million and is paid off in 2028. The interest rate for the loan is 0.5%.

Debt service for the construction loan is:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2019	\$ 529,412	\$ 26,471	\$ 553,882	\$ 4,764,706
2020	529,412	23,824	553,235	4,235,294
2021	529,412	21,176	550,588	3,705,882
2022	529,412	18,529	547,941	3,176,471
2023	529,412	15,882	545,294	2,647,059
2024 to 2028	2,647,059	39,706	2,686,765	\$ 0
TOTAL	\$ 5,294,118	\$ 145,588	\$ 5,439,706	

Water and Sewer Taxable Revenue Build America Bonds Series 2010A:

The city's water/sewer utility issued taxable, Build America Bonds, in the amount of \$6,035,000 in June 2010. These bonds were issued to fund completion of the waste water treatment plant and to replace certain aging water mains in the city's water system. Responsibility for the debt service on the bonds is: Water – 31 percent and Sewer – 69 percent. The bonds are Build America Bonds (BABs). This means that the city receives a 35 percent subsidy on the interest payments over the life of the bonds.

Debt service on the bonds is as follows:

YEAR	PRINCIPAL	NET INTEREST	TOTAL	BALANCE
2019	\$ 285,000	\$ 149,777	\$ 434,777	\$ 3,850,000
2020	290,000	140,706	430,706	3,560,000
2021	300,000	131,063	431,063	3,260,000
2022	310,000	120,795	430,795	2,950,000
2023	320,000	109,883	429,883	2,630,000
2024 to 2030	2,630,000	388,562	3,018,562	\$ 0
TOTAL	\$ 4,135,000	\$ 1,040,786	\$ 5,175,786	

Water and Sewer Taxable Revenue Build America Bonds Series 2010B and Water and Sewer Revenue Bonds – Tax Exempt 2010C:

In August 2010 the city issued Water/Sewer revenue bonds in the amount of \$8,190,000 to finance construction of the waste water treatment plant outfall extension. The bonds are split between Build America Bonds (BABs) - \$5,580,000 and revenue bonds - \$2,610,000. Average annual net debt service over the remaining life of the bonds is \$424,000 (BABs) and \$348,000 (revenue).

Debt service on the BAB (2010B Series) bonds is as follows:

YEAR	PRINCIPAL	NET INTEREST	TOTAL	BALANCE
2019	\$ 0	\$ 210,762	\$ 210,762	\$ 5,580,000
2020	420,000	210,762	630,762	5,160,000
2021	435,000	197,655	632,655	4,725,000
2022	450,000	181,960	631,960	4,275,000
2023	470,000	165,723	635,723	3,805,000
2024 to 2030	3,805,000	961,432	6,121,432	\$ 0
TOTAL	\$ 5,580,000	\$ 1,928,294	\$ 7,508,294	

Debt service on the Revenue (2010C Series) bonds is as follows:

YEAR	PRINCIPAL	NET INTEREST	TOTAL	BALANCE
2019	\$ 410,000	\$ 12,300	\$ 422,300	\$ 0
TOTAL	\$ 410,000	\$ 12,300	\$ 422,300	

Public Works Board Loan – Phase 2

The city has a Public Works Trust Fund Loan from the state Public Works Board. The loan is for the waste water treatment plant phase 2 expansion project. The loan is for construction in the amount of \$4,845,850 million and is paid off in 2032. The interest rate for the loan is 0.25%.

Debt service for the loan is:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2019	\$ 275,909	\$ 9,657	\$ 285,566	\$ 3,586,818
2020	275,909	8,967	284,876	3,310,909
2021	275,909	8,277	284,186	3,035,000
2022	275,909	7,588	283,497	2,759,091
2023	275,909	6,898	282,807	2,483,182
2024 to 2032	2,483,182	31,040	2,514,222	\$ 0
TOTAL	\$ 3,862,728	\$ 72,427	\$ 3,935,154	

2014 WA State Treasurer's Local Option Capital Asset Lending (LOCAL):

In 2014 the city borrowed \$234,227 through the LOCAL program to finance the purchase of six vehicles and a forklift. This is a five year note and carries an interest rate of 1.16%.

Debt service (Enterprise Fund portion) on the 2014 Note is as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2019	\$ 18,093	\$ 453	\$ 18,546	\$ 0
TOTAL	\$ 18,093	\$ 453	\$ 18,546	

2015 WA State Treasurer's Local Option Capital Asset Lending (LOCAL):

In 2015 the city borrowed \$218,172 through the LOCAL program to finance the purchase of six vehicles, a boat, a track hoe, and a Z-Trak Lawnmower. This is a five year note and carries an interest rate of 1.46%.

Debt service (Enterprise Fund portion) on the 2015 Note is as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2019	\$ 13,783	\$ 1,413	\$ 15,196	\$ 14,473
2020	14,473	724	15,197	\$ 0
TOTAL	\$ 28,256	\$ 2,137	\$ 30,393	

2017 WA State Treasurer's Local Option Capital Asset Lending (LOCAL):

In 2017 the city borrowed \$514,831 through the LOCAL program to finance the purchase of five police patrol vehicles, a jail transport van, three pickup trucks, a street sweeper, a sidewalk sweeper, and a brine maker. This is a five year note and carries an interest rate of 1.27%.

Debt service (Enterprise Fund portion) on the 2017 Note is as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2019	\$ 22,469	\$ 4,281	\$ 26,750	\$ 74,376
2020	23,593	3,129	26,722	50,783
2021	24,772	1,920	26,692	26,011
2022	26,011	651	26,662	\$ 0
TOTAL	\$ 96,845	\$ 9,981	\$ 106,826	

Water and Sewer Revenue Bonds, 2017:

In March 2017 the city issued Water/Sewer revenue bonds in the amount of \$6,220,000 to finance construction of Well #11 and replacement/construction of Lift Station #4B. Responsibility for the debt service on the bonds is: Water – 26 percent and Sewer – 74 percent.

Debt service on the 2017 W/S Revenue Bonds is as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL	BALANCE
2019	\$ 240,000	\$ 221,900	\$ 461,900	\$ 5,625,000
2020	250,000	214,700	464,700	5,375,000
2021	250,000	207,200	457,200	5,125,000
2022	260,000	199,700	459,700	4,865,000
2023	270,000	191,900	461,900	4,595,000
2024 to 2036	4,595,000	1,387,800	5,982,800	\$ 0
TOTAL	\$ 5,865,000	\$ 2,423,200	\$ 8,288,200	

Resources

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Beginning balance	\$ 411,660	\$ 414,699	\$ 453,656	\$ 584,427	\$ 814,683
Intergovernmental	194,166	191,668	188,123	185,010	180,741
Miscellaneous	271	173	816	2,002	2,500
Transfers in	1,817,900	2,013,100	2,262,432	2,635,992	2,591,047
Other	2,859,752	1,367,057	6,725,408	4,464	-
Total revenues	4,872,089	3,571,998	9,176,779	2,827,468	2,774,288
Total resources	\$5,283,749	\$ 3,986,697	\$ 9,630,435	\$ 3,411,895	\$ 3,588,971

Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Transfer out	\$2,859,752	\$ 1,367,057	\$ 6,594,167	\$ -	\$ -
Debt service	2,009,298	2,165,984	2,451,841	2,597,212	2,591,947
Total	4,869,050	3,533,041	9,046,008	2,597,212	2,591,947
Ending balance	414,699	453,656	584,427	814,683	997,024
Total uses	\$5,283,749	\$ 3,986,697	\$ 9,630,435	\$ 3,411,895	\$ 3,588,971

**WASTEWATER DIVISION – CAPITAL
DESCRIPTION OF FUNCTION**

This fund accumulates resources for major wastewater capital projects, and accounts for their purchase, construction and financing. Sources of revenue for the fund include wastewater connection fees, transfers from the wastewater operating fund, and interest earnings.

**WASTEWATER DIVISION – CAPITAL
NARRATIVE OF GOALS 2019 – 2024**

1. **Collection System.** Explore the opportunities for Utility Local Improvement District (ULID) expansion of the sewer system to serve all city residents. City will work with property owners using on-site septic systems within the City to connect to the City's sewer system. These new connections would be added on an annual (or biennial) basis. Funding of each group of connections could be covered by the creation of a ULID or by the City taking out a low-interest loan on behalf of the property owners and surcharges added to the utility bill for the subject properties. **2019 – 2024.**
2. **Lift Station and Collection System Improvements.** Develop and implement a plan for replacement and/or improving existing lift stations and collections system infrastructure. **2019 – 2024.**
3. **Reuse and Reclaimed Water.** Promote the wastewater reuse and rainwater reclamation. **2019 – 2024.**
4. **Burnham/Harborview Connector including Bypass Connector.** Interconnect the sanitary sewer line along Harborview Drive to Burnham Drive to allow flow diversion capability. **2019 - 2024.**
5. **Dri-Prime Diesel Pump Installations.** Installation of Dri-Prime Diesel Pumps to replace aging generators at various lift stations. **2019 - 2024.**
6. **Wastewater Outfall Trench Cover Berm Regrading.** Design and permit the removal of the trench fish mix backfill over the outfall located in Austin Estuary tide flat. This backfill in the estuary is causing redirection of the outgoing tide to divert into Murphy's Landing Marina. **2019 – 2024.**
7. **Reclaimed Water Investigation.** Explore the options available to provide reclaimed water. **2019-2024.**

NARRATIVE OF OBJECTIVES 2019 WASTEWATER DIVISION – CAPITAL

Proposed Objectives

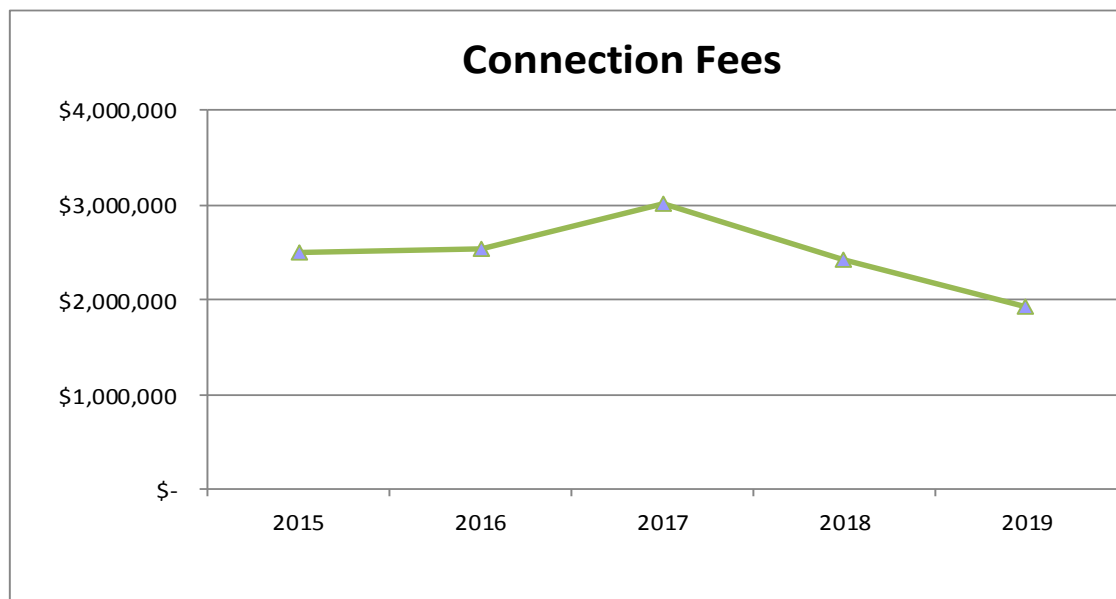
1. **Pump Station 3A Channel Grinder.** Pump Station 3A receives all sanitary waste from the City of Gig Harbor and connections outside the City limits before pumping to the WWTP. The waste coming into the station is laden with debris such as rocks, wood, flushable wipes, towels, grease and so on. The influent channel houses a grinder that chews this material into small pieces. Without this unit, rags and large debris would clog or damage the pumps. The existing unit has been completely rebuilt and repaired several times. The cast steel structure is eroding and becoming too weak to repair. It has reached the end of its physical life and needs to be replaced. **\$68,335.**
2. **Replacement of Lift Station #6 (Ryan Street).** Verify right-of-way and complete final design and permitting for the complete replacement of the lift station at the existing site. **\$140,000.**
3. **Rehabilitation of Lift Station #1 (Crescent Creek Park).** Replace existing pumps, electrical and mechanical equipment and coat wet well. **\$105,000.**
4. **Rehabilitation of Lift Station #9 (Longacres Subdivision).** This will be in conjunction with the replacement of the wet well by a private developer and will also include installation of related vaults, piping, controls, etc. **\$79,573 Developer Contribution.**
5. **Lift Station 2A and Lift Station 11 Pump Repair and Generator Replacement.** **\$61,000.**
6. **Murphy's Landing Marina Navigation Channel Dredging.** In partnership with Murphy's Landing Marina, design and permit a bid ready set of contract documents for the removal of a portion of infill sedimentation that has occurred throughout the years, and will continue to do so, within the marina navigation channel. NOTE that all construction costs for the channel dredging will be the sole responsibility of the Murphy's Landing Marina and the City will NOT participate in any construction or long term maintenance costs. **\$25,000.**

Resources

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Beginning balance	\$ 5,702,614	\$ 5,574,008	\$ 843,745	\$ 4,588,226	\$ 8,526,866
Charges for services	2,505,268	2,542,256	3,003,758	\$ 2,416,966	1,928,000
Miscellaneous	10,178	23,981	50,683	168,037	90,000
Transfers in	2,829,002	1,367,057	4,811,088	1,800,000	300,000
Other	-	-	-	-	-
Total revenues	5,344,448	3,933,294	7,865,529	8,973,229	2,318,000
Total resources	\$ 11,047,062	\$ 9,507,302	\$ 8,709,274	\$ 13,561,455	\$ 10,844,866

Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Salaries	\$ 240,986	\$ 245,987	\$ 252,098	\$ 268,157	\$ 297,200
Benefits	122,201	133,419	119,453	127,062	135,100
Services	-	-	-	-	-
Intergov't charges	35,837	40,337	45,117	36,303	28,920
Capital expenditures	4,554,339	8,243,814	3,440,654	14,841	1,003,908
Transfers out	-	-	-	-	-
Total	4,953,363	8,663,557	3,857,322	446,363	1,465,128
Ending balance	6,093,699	843,745	4,851,952	13,115,092	9,379,738
Total uses	\$ 11,047,062	\$ 9,507,302	\$ 8,709,274	\$ 13,561,455	\$ 10,844,866



STORM WATER DIVISION - OPERATING
DESCRIPTION OF FUNCTION

Maintain, operate and improve the city's storm water collection, treatment and discharge system to provide cost-effective conveyance and disposal of urban runoff from within the public right-of-way consistent with federal, state and local regulations and guidelines to minimize pollution and physical impacts to downstream properties, groundwater, surface water, and sensitive marine life. This function also includes administration of the NPDES Phase 2 permit, continuing to manage a local source control program, review of private development storm drain systems, and periodic update of the city's storm water standards.

**STORM WATER DIVISION - OPERATING
NARRATIVE OF GOALS 2019 – 2024**

1. **Municipal Storm Water Permit Management.** Continue the implementation of a comprehensive city-wide Stormwater Management Program in accordance with the city's current NPDES Phase 2 municipal stormwater permit. The Stormwater Management Program includes the ongoing assessment program for identifying and prioritizing sources of storm water pollution, development of a capital improvement program to identify and resolve storm drainage problems, formal program for coordinating drainage basin issues, community outreach and education, and a program for inspection and enforcement of storm drainage and pollution regulations. Future program objectives will include a comprehensive revision to the city's municipal code, as required by the Washington State Department of Ecology, to remove possible hindrances across all city codes for requirements of future NPDES Phase 2 permits. **2019 – 2022.**
2. **Local Source Control Program.** Coordinate with the Tacoma-Pierce County Health Department with the purpose to reduce pollutants and impacts to surface waters and stormwater system as directed by the City's NPDES Stormwater permit issued by Washington Department of Ecology. To provide pollutant source control inspections and outreach to businesses that will increase operator's awareness the necessary stormwater facilities maintenance, the best environmental stewardship practices education, management practices that reduce the pollutants discharging to the stormwater and elimination of illicit discharge connection to the stormwater system. **2019-2022.**
3. **Public Works Standards.** Update the storm section of the Public Works Standards as necessary to reflect the design manual and current policies and procedures as needed. **2019 – 2022.**
4. **Storm Drain Maintenance System Documentation.** Purchase and implement computer software able to record and track storm drain maintenance activities and provide documentation and maintenance schedules. **2017 – 2022.**
5. **Puget Sound Partnership.** In accordance with the new Puget Sound Partnership, become a partner with the new state agency department to be proactive and partner with the efforts to preserve and enhance the quality of adjoining Puget Sound waters. **2017 – 2022.**
6. **Stormwater Outfalls Maintenance.** Perform routine inspections of stormwater outfalls into the Puget Sound. Replace or improve outfalls that have deteriorated due to tidal action or lack of maintenance. **2017 - 2022.**

**STORM WATER DIVISION - OPERATING
NARRATIVE OF OBJECTIVES 2019**

Mayor's Supported Objectives

1. **Seasonal Hire.** Hire eight (8) seasonal help with work in parks, streets, water and storm. **Wages - \$123,000 (Parks \$61,500, Street \$24,600, Water \$12,300, Storm \$24,600).**
2. **Cartegraph OMS Enterprise Platform Licensing.** Continue to operate the existing Public Works citizen request work order and advanced asset management software for the City's facilities, public spaces and infrastructure. Enterprise Platform includes Cloud Shared Hosting subscription and support for 55 users and includes advance user tools providing the City to create custom assets in-house. This licensing integrates Cartegraph with Esri GIS services to use location to make data more useful and accurate. **\$29,775 (Parks \$5,955, Streets \$5,955, Water \$5,955, Storm \$5,955, Wastewater \$5,955).**
3. **Storm Utility Revenue Study.** Review the storm water utility's revenue structure for equity and on-going sustainability of the storm water utility. **\$32,000.**
4. **Storm/Catch Basin Cleaning Disposal.** Debris removed from catch basins can no longer be disposed of locally and must be transported to an approved disposal facility. This expense includes approximately 200 yards of material annually at \$95 per ton for disposal, the disposal transport time of 4 hours roundtrip minimum hourly vector truck rate @ 25 trips, and bridge toll of \$9.00 @ 25 trips, and \$600 in annual fuel costs. **\$34,612.**
5. **Davit Retrieval System (vehicle hitch mount)** System to safely raise and lower employees suspended below work surfaces. This is an essential safety element to comply with OSHA confined space work standards. **\$6,000 (Water \$3,000, Storm \$3,000).**
6. **Gutter Replacement.** Install gutters/downspouts at Little League Fields announcer/well house building and restrooms/snack shack building. PW Maintenance Shop building, Crescent Creek Park well house, Veteran's Memorial Park restroom and pavilion, Maritime Pier restroom. **\$12,700 (Parks \$8,994, Street \$530, Water \$2,646, Storm \$530).**

Removed Objectives

1. **Public Works Facility Security.** Add security cameras to monitor perimeter of buildings and property. **\$5,000 (Parks \$1,250, Street \$1,250, Water \$1,250 Storm \$1,250).**

STORM WATER DIVISION - OPERATING CAPITAL OUTLAY 2019

Mayor & Department Supported Capital Outlay

1. **Replace Side Mower for Tractor.** This capital outlay will replace the side mowing unit only and does not require the entire tractor to be replaced. **\$105,000 (Parks \$26,250, Streets \$26,250, Water \$26,250, Storm \$26,250).**
2. **New Ford F550 3-yard dump truck.** Due to increased amount of City infrastructure an additional 3-yard dump truck is necessary to complete the City's work. **\$75,000 (Parks \$18,750, Streets \$18,750, Water \$18,750, Storm \$18,750).**
3. **New Dump Trailer.** This trailer will reduce the demands and wear/tear on the larger, more expensive equipment. **\$12,000 (Parks \$3,000, Streets \$3,000, Water \$3,000, Storm \$3,000).**
4. **New Service Truck with crane, generator, air compressor.** Due to increased amount of City infrastructure and equipment a new service truck is necessary to complete the City's work. **\$120,000 (Parks \$20,000, Streets \$20,000, Water \$60,000, Storm \$20,000).**
5. **Replace Four (4) Variable Message Signs.** The City currently operates seven (7) variable message signs. This objective proposes to replace the four (4) oldest of the signs, which are nine (9) years old and costing a significant amount of staff time and parts to maintain. **\$85,000 (Parks \$17,000, Streets \$17,000 Water \$17,000, Storm \$17,000, Wastewater \$17,000).**
6. **Replace 1999 Ford F450 Flatbed Truck (#1024).** This truck is currently used for placing de-icer. The running gear has significantly deteriorated and must be replaced. **\$42,300 (Parks \$10,575, Streets \$10,575, Water \$10,575, Storm \$10,575).**

Removed Capital Outlay

1. **Replace 2008 Chevrolet Silverado 1500 (#2015) with Chevrolet Volt Electric Vehicle.** This vehicle has about 102,000 miles and annual maintenance costs continue to mount. **\$35,500 (Parks \$8,875, Streets \$8,875 Water \$8,875, Storm \$8,875).**

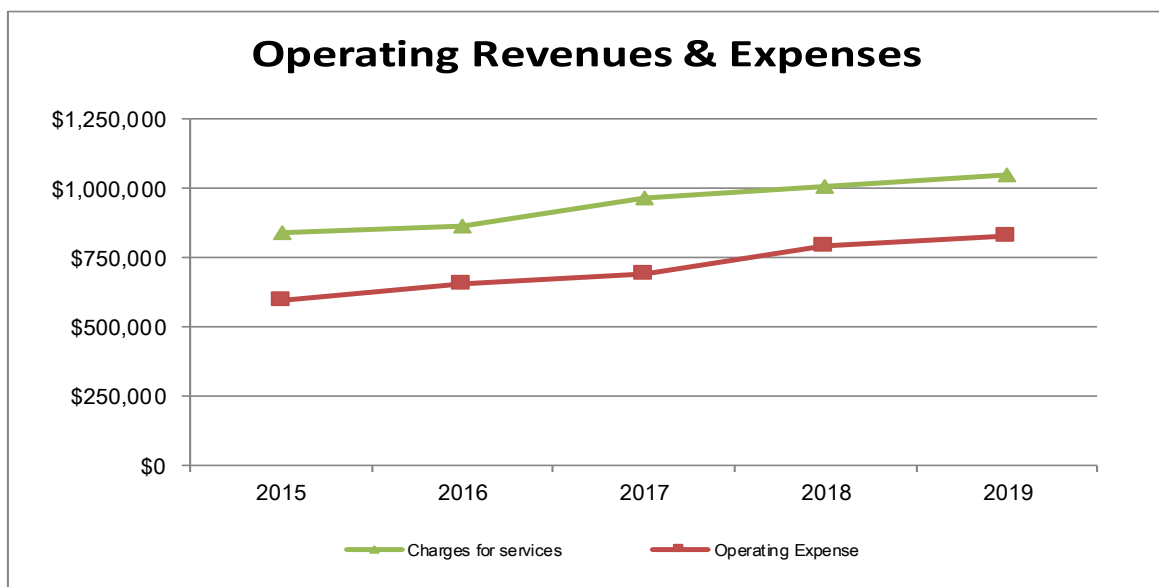
Total Storm Capital Outlay is \$95,575

Resources

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Beginning balance	\$ 890,773	\$ 1,303,456	\$ 1,467,031	\$ 1,606,939	\$ 1,433,942
Taxes	-	-	-	-	-
Charges	838,586	867,543	966,496	1,008,694	1,048,831
Miscellaneous	1,311	4,939	12,332	22,374	20,000
Transfers in	189,807	-	20,378	-	-
Other	42,662	229	-	34,316	-
Total revenues	1,072,366	872,711	999,206	1,065,384	1,068,831
Total resources	\$ 1,963,139	\$ 2,176,167	\$ 2,466,237	\$ 2,672,323	\$ 2,502,773

Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Salaries	\$ 320,729	\$ 333,269	\$ 351,381	\$ 389,799	\$ 402,900
Benefits	148,255	149,073	160,444	179,339	189,925
Supplies	29,890	31,607	25,666	27,540	29,900
Services	99,179	142,454	153,883	194,497	205,541
Intergov't charges	15,672	24,559	18,576	14,526	15,485
Capital expenditures	42,430	15,112	136,021	4,358	95,575
Transfer	-	-	-	400,000	1,300,000
Other	3,528	12,549	13,051	28,022	34,889
Total expenditures	659,683	708,623	859,022	1,238,081	2,274,215
Ending fund balance	1,303,456	1,467,544	1,607,215	1,434,242	228,558
Total uses	\$ 1,963,139	\$ 2,176,167	\$ 2,466,237	\$ 2,672,323	\$ 2,502,773



CITY OF GIG HARBOR													
STAFF ADJUSTMENT REQUEST FORM - PW													
A Staff Adjustment Request form should be completed and submitted for any budget requests for Staff Adjustments. Staff Adjustment Requests should be prioritized by each position with no two requests having the same priority number.													
Position Title:		Department:	Fund:										
Utility Billing Clerk - Reception(1.0 FTE)		Admin - Public Works-Operations	001, 401, 402, and 411										
Salary Range From:	Salary Range To:	Change Date:											
\$ 2,224	\$ 2,779	January 1, 2019											
Request to Add a Position		Department Contact:	Jeff Langhelm										
		Priority:	1										
Description of Request:													
<p>Utility billing at the City of Gig Harbor is currently completed by one full time Utility Bill Technician. The Utility Billing Technician's work generally includes producing bi-monthly billing cycles, providing customer service assistance by phone, email, and for walk-in customers, creating new accounts, closing existing accounts, tracking meters, coordinating meter reading, issuing final shut-off notices, and providing leak detection assistance.</p> <p>An Operations Public Works Assistant provides backup coverage for the Utility Billing Technician and has also taken over the management of backflow prevention installation and testing program. And as necessary, the Operations Public Works Assistant reprioritizes her work schedule to further support the Utility Billing Technician.</p> <p>With the number of City utility accounts growing by almost 50% since 2008, the City's Utility Billing Technician is not able to sustain the daily work load associated with current and increasing utility accounts. Additionally, this utility growth rate is higher than City population growth because the City performs utility billing for City utility accounts located in the UGA.</p> <p>The primary initial responsibilities of the proposed Utility Billing Clerk position would be providing customer service assistance by phone, email, and for walk-in customers and assistance with noticing of customers. This new position would also replace the backup coverage currently provided by the Operations Public Works Assistant.</p>													
Advantage of Approval / Implication of Denial:													
Public works is attempting to fill this position with a part-time employee to minimize the initial cost to the three utility funds. The number of City utility accounts have increased by approximately 45% over the past 10 years. By denying this proposed staff adjustment City utility customers will received significantly reduced customer service both now and as the years progress. Additionally, customers will likely receive more errors on utility bills due to less time by staff to confirm utility readings.													
Alternatives (Delaying Funding / Partial Funding):													
Public Works partially provides support to the current Utility Billing Technician through redirecting tasks from one Public Works Assistant. Without the creation of this part-time position Public Works will need to redirect a majority of the Public Works Assistant's time to perform the tasks of the Utility Billing Clerk. If this occurs, and since the Public Works Assistant position is a higher paid position, the City would be paying more to complete the tasks of the Utility Billing Clerk while losing the productivity of the Public Works Assistant.													
<table border="1" style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center; padding: 5px;">2019 Annual Costs</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">Wages</td> <td style="text-align: right; padding: 5px;">\$ 21,769.00</td> </tr> <tr> <td style="padding: 5px;">Benefits</td> <td style="text-align: right; padding: 5px;">\$ 19,921.00</td> </tr> <tr> <td style="padding: 5px;">Other</td> <td style="text-align: right; padding: 5px;"></td> </tr> <tr> <td style="text-align: right; padding: 5px;">Total</td> <td style="text-align: right; padding: 5px;">\$ 41,690.00</td> </tr> </tbody> </table>				2019 Annual Costs		Wages	\$ 21,769.00	Benefits	\$ 19,921.00	Other		Total	\$ 41,690.00
2019 Annual Costs													
Wages	\$ 21,769.00												
Benefits	\$ 19,921.00												
Other													
Total	\$ 41,690.00												
Contract Position: <input type="checkbox"/>													
Funding Source Description:													
This position will be funded by 1/3rd water utility, 1/3rd wastewater utility, and 1/3rd stormwater utility.													

STORM WATER DIVISION - CAPITAL
DESCRIPTION OF FUNCTION

This fund accumulates resources for major storm water capital projects and accounts for their purchase, construction and financing. Sources of revenue for the fund include connection fees and storm rates.

**STORM WATER DIVISION - CAPITAL
NARRATIVE OF GOALS 2019 – 2024**

1. **Harborview Drive Stormwater Conveyance Improvements.** Eliminate sediment stormwater accumulation under the Harbor History Museum. **2019 – 2020.**
2. **Storm Drain Capacity Improvements.** Identify and replace yearly under capacity storm drain lines within the City. **2019-2024.**
3. **Identify and remove fish passage barriers.** Identify and replace constricted fish passage barrier culverts. **2019-2024.**

**STORM WATER DIVISION - CAPITAL
NARRATIVE OF OBJECTIVES 2019**

Mayor & Department Supported Objectives

1. **Public Works Operations Center – Site Development.** Review and finalize the site design then construct the frontage improvements and site civil improvements related to Well #11 and the new Public Works Operations Center. **\$1,980,000 (Parks \$396,000, Streets \$396,000, Water \$990,000, Storm \$198,000).**
2. **Public Works Operations Center – Building Design and Permitting.** Complete the building design and building permitting of the new Public Works Operations Center. **\$220,000 (Parks \$62,333, Streets \$62,333, Water \$33,000, Storm \$62,333).**
3. **Harborview Drive Stormwater Conveyance Improvements.** Design, permit, and construct a sediment catching vault in the Harborview Drive right-of-way to capture the stream deposition that annual fills the conveyance pipe along Harborview Drive and inside the combined City-Harbor History Museum stormwater system. **\$750,000 (\$629,000 Utility Funds and \$121,000 Pierce County Flood Control Zone District Opportunity Funds).**
4. **Public Works Shop – Decant Facility.** Design and permitting of a new decant facility to be constructed on the adjacent City owned parcel next to the shop. **\$115,000.**
5. **Assessment and Maintenance Plan for Outfalls to Marine Waters.** Initiate and complete an assessment of all City stormwater outfalls, including creation of a prioritized capital improvement program to correct or replace the deficient outfalls and a maintenance plan for all stormwater outfalls. **\$150,000.**
6. **Storm Pipe Slip Lining.** Perform the slip lining of two storm pipes in the City right of way due to failed pipe connections. These two storm pipes are located at the east end of Mountain View Place and in Vernhardson Street in the vicinity of Crescent Creek. **\$80,000.**

Removed Objectives

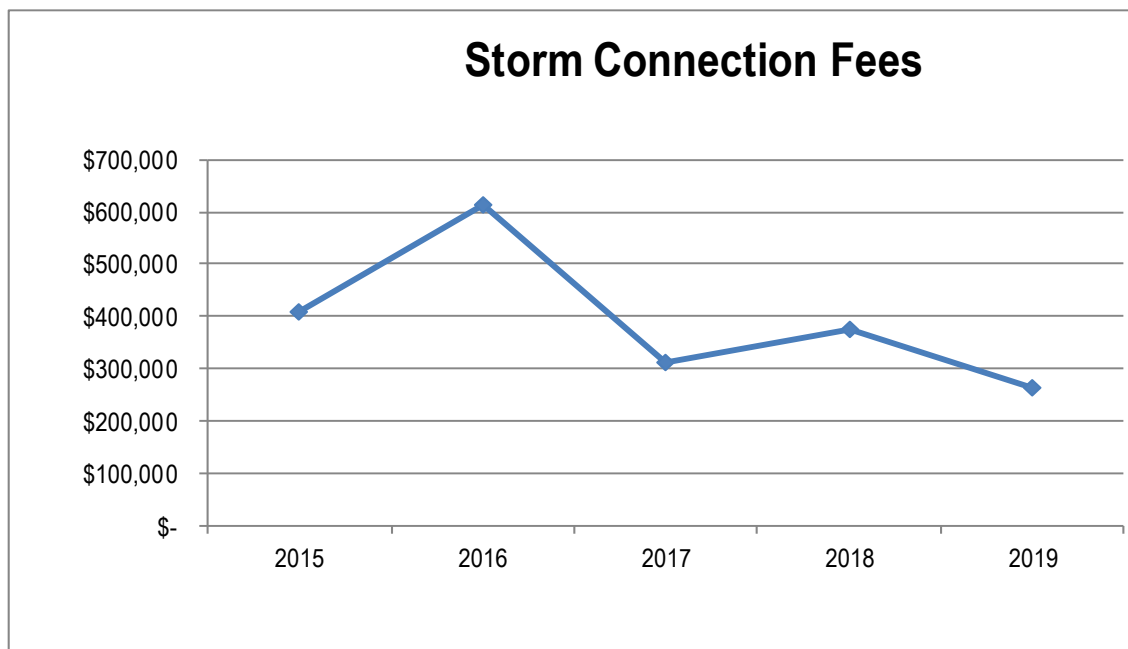
1. **Annual Storm Drain Upgrades.** Annual update either deficient or under sized storm drain pipes through an annual pipeline replacement program. **\$30,900.**

Resources

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Beginning balance	\$ 24,765	\$ 11,683	\$ 398,651	\$ 430,697	\$ 891,162
Taxes	-	-	-	-	-
Charges	408,604	613,892	312,510	375,240	265,500
Miscellaneous	380	2,803	8,518	13,538	15,000
Transfer In	-	-	-	400,000	1,300,000
Total revenues	433,749	616,695	321,028	788,778	1,580,500
Total resources	\$ 458,514	\$ 628,378	\$ 719,679	\$ 1,219,475	\$ 2,471,662

Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Salaries	\$ 49,208	\$ 54,676	\$ 57,286	\$ 61,009	\$ 102,400
Benefits	21,033	23,279	23,787	25,333	47,000
Capital expenditures	351,825	148,292	-	241,971	1,156,233
Total	422,066	226,247	81,073	328,313	1,305,633
Ending balance	36,448	402,131	638,606	891,162	1,166,029
Total uses	\$ 458,514	\$ 628,378	\$ 719,679	\$ 1,219,475	\$ 2,471,662



WATER DIVISION CAPITAL
DESCRIPTION OF FUNCTION

This fund accumulates resources for major water capital projects and accounts for their purchase, construction and financing. Sources of revenue for the fund include water connection fees, transfers from the Water Operating Fund and interest earnings.

**WATER DIVISION CAPITAL
NARRATIVE OF GOALS 2019 – 2024**

1. **Asbestos-Cement Water Main Replacement Program.** Continue to implement a program to identify and replace aging and/or vulnerable portions of the asbestos-cement water transmission and distribution system. Priority will be given to lines within areas identified for other capital improvements, such as pavement replacement or street reconstruction, and especially lines more than 40-years old where high ground water is present and/or areas where lines have historically ruptured. **2019 – 2024.**
2. **Reuse and Reclaimed Water.** Further develop the preliminary groundwater recharge feasibility report to explore the feasibility of recharging groundwater in the future. This refinement to the preliminary report would explore in more specific detail specific recharge sites, sources of recharge water, as well as other potential benefits that may result from performing groundwater recharge. **2019 – 2024.**
3. **Primary Source Well Development.** As identified in the Water System Plan, develop the location for this primary source well in the Gig Harbor North area and continue to work towards obtaining the primary water right for this well. **2019 - 2024.**
4. **Gig Harbor North Water Emergency Intertie.** Construct the much need intertie in the vicinity of St. Anthony's Hospital. Currently the Hospital and surrounding area is served by a single trunk waterline that crossed under SR 16 and should a rupture to this primary line occur, it would cut off the supply of water to the entire Gig Harbor North area. **2019.**
5. **Water quality and responsibility.** Continue to provide a supply of high quality potable water in a timely and reasonable manner, with a focus on system reliability and source redundancy. **2019-2024.**
6. **System reliability and Emergency Management Planning.** Continue to provide a reliable water system and protect the security of its water system. **2019-2024.**
7. **Water supply and storage capabilities.** Ensure that the City has sufficient facilities available to meet its maximum day demand and storage tanks are sized to meet the current and proposed system demands. **2019-2024.**

**WATER DIVISION CAPITAL
NARRATIVE OF OBJECTIVES 2019**

Mayor & Department Supported Objectives

1. **Public Works Operations Center – Site Development.** Review and finalize the site design then construct the frontage improvements and site civil improvements related to Well #11 and the new Public Works Operations Center. **\$1,980,000 (Parks \$396,000, Streets \$396,000, Water \$990,000, Storm \$198,000).**
2. **Public Works Operations Center – Building Design and Permitting.** Complete the building design and building permitting of the new Public Works Operations Center. **\$220,000 (Parks \$62,333, Streets \$62,333, Water \$33,000, Storm \$62,333).**
3. **Stinson Avenue Asbestos Cement Water Main Replacement.** Construct the replacement of approximately 3,800 LF of asbestos cement (AC) water main with ductile iron water main. **\$1,300,000.**
4. **Grandview Street Asbestos Cement Water Main Replacement.** Construct the replacement of approximately 400 LF of asbestos cement (AC) water main with ductile iron water main. **\$200,000.**
5. **Emergency Water Intertie – Canterwood Blvd.** Install an intertie (approximately 1,600 LF) along Canterwood Blvd between St. Anthony's hospital and Baker Way to provide a redundant water source in the event of an emergency. **\$400,000.**

Removed Objectives

1. **Water Main Extension – Bering St.** Connect Canterwood Blvd to Bering Street with 12 inch ductile iron pipe to provide redundant water flow. **\$266,000.**

Resources

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Beginning balance	\$ 1,516,513	\$ 1,512,901	\$ 1,306,855	\$ 2,733,623	\$ 3,712,921
Intergov't revenue	-	-	-	-	-
Charges	1,097,264	1,581,259	1,779,887	1,676,454	1,095,000
Miscellaneous	2,365	10,263	46,993	61,136	65,000
Transfers in	-	-	1,693,256	800,000	800,000
Total revenues	1,099,629	1,591,522	3,520,136	2,537,590	1,960,000
Total resources	\$ 2,616,142	\$ 3,104,423	\$ 4,826,991	\$ 5,271,213	\$ 5,672,921

Expenditures By Type

Category	2015 Actual	2016 Actual	2017 Actual	2018 YE Estimate	2019 Budget
Salaries	\$ 93,124	\$ 99,113	\$ 109,138	\$ 250,844	\$ 98,900
Benefits	41,481	46,507	49,525	113,291	48,900
Supplies	-	-	-	-	-
Services	-	-	-	-	-
Intergov't charges	14,580	25,237	26,698	25,147	16,425
Capital expenditures	954,056	275,975	1,909,999	1,169,010	3,401,500
Transfers out	-	1,200,858	(1,992)	(1,992)	-
Total	1,103,241	1,647,690	2,093,368	1,556,300	3,565,725
Ending balance	1,512,901	1,456,733	2,733,623	3,714,913	2,107,196
Total uses	\$ 2,616,142	\$ 3,104,423	\$ 4,826,991	\$ 5,271,213	\$ 5,672,921

